**US telecoms** 

The FCC 'road map after Ameritech



Mir as metaphor Lost on earth, as well as in space



Protecting plants Protein warfare against larvae

Technology, Page 6



**Shaky foundations** 

Debt woes for Japanese construction groups

#### World Business Newspaper http://www.FT.com

### Rhône-Poulenc raises its price for **US company Rorer**

French chemicals group Rhône-Poulenc has been forced to raise the price it is paying for the 31.9 per cent of US drugs company Rhône-Poulenc Rorer it does not yet own by about FFr2bn (\$320m). The company said it would offer \$97 a share compared with an original figure of around \$92. Page 11

Surise and FBI stage office raids: The international pursuit of convicted stock fraudster Irving Kott has resumed in Basel and Beverly Hills with synchronised raids by the FBI and Swiss police on the offices of discount broker J.B. Oxford. The FBI said the seizure of docments related to a "white-collar crime investigation". Page 10

Polish coalition splits: Poland'a coalition government looks set to collapse four weeks before parliamentary elections, after junior members of the Polish Peasant party tabled a motion of no confidence in prime minister Wlodzimierz Cimoszewicz, Page 2

Gvil takes over at Pharmacia & Upjohn: Troubled Swedish-US drugs company Pharmacia & Upjohn has replaced its chairman Jan Ekberg with Soren Gyll, former chief executive of Swed ish automotive company Volvo. Page 11

Waigel to guit German Finance Ministry Germany's finance



WELLTINGTON &

- E.V.

77772 2

-----

West many

- .: 194

CACE LACE

Mersion

- 177

100 VH 20

minister Theo Waigel (left), often the scapegoat for Bonn's difficulties, has told German TV that he is not prepared to serve in the job beyond next year's general election. Meanwhile German officials disclosed that a statistical windfall from the EU should make it

easier for Germany to qualify for Emu. Page 2 leah takes on EU: Garment manufacturers in Bangladesh - who export more T shirts to Europe than anyone else - say

they face bankruptcy because of a dispute with the EU over access for their products. Page 10 #880A investment chief: State Street Global Advisers, the third-largest US asset manager, has appointed London-based Briton Alan Brown as chief investment officer, in a move

ising its expansion plans. Page 11

irmian cabinet approved: Iran's parliament, the Majlis, has given blanket approval to President Mohammad Khatami's new 22-member cabinet. Their ratification of his choices has to be formally endorsed by Iran's 12ember Council of Guardians. Page 4

Zhu tipped as China Bank head: China Everbright's chairman Zhu Xiaohua has emerged as a candidate to succeed Dai Xianglong as governor of the People's Bank of China. Mr Zhu is a protege of Zhu Rongji, China's vicepremier in charge of the economy and the fron-

trunner to succeed Li Peng as premier. Page 5 First Union acquisition: US commercial bank First Union has joined the trend for retail banks to buy brokerages with its \$471m sequisition of Wheat First Butcher Singer of Richmond,

Glittering figures from Normandy: Australia's largest gold producer Normandy Mining reported record annual profits of A\$123.5m (US\$91.2m), thanks largely to lower

Virginia Page 11

production costs. The figure represents a 24 per cent increase over the previous year. Page 14 Talwan PM stops down: Taiwan's premier Lien Chan is to step down, paving the way for s cabinet reshuffle later this month. Mr Lien will keep his largely ceremonial post of vice-presi-

Chile publishes defence paper: Chile'a civil society has scored a quiet triumph with the publication of a "white paper" on defence, a first for Chile, and for Latin America. The six chap-ters in the paper range from a debate on the definition of war to Chile's growing economic inter-

dependency with its neighbours. Page 3 HK plans new election rules: Hong Kong's government has put forward new election rules for the post-colonial Legislative Council, amid opposition claims that they will curb democracy in next year's elections. Page 5

FT.com: the FT weh site provides online news, comment and analysis at http://www.FT.com

	<u>, ,                                  </u>
M STOCK MARKET INDICES	= GOLD
New York heschillens	New York: Cornex
Dow Jones and Av7,844.35 (+26.25) MASDAQ Composite1,615.97 (+15.26)	Aug\$321.3 (323.0)
Fernise and Cor Foot	London
CAC-10 2,979.27 (+43.11) DAY 4,273.43 (+53.81)	close \$322.25 (323.05)
DAX 4,223.43 (+53.81) FISE 100 4,958.4 (+44.2)	# DOLLAR
Michael 19,252.23 (+281.23)	New York tunchiline
	£1.502
Federal Funds	DM1.86536 FFr6.2465
3-ruth Trees Bills: Yid .5.219%	SFr1.52615
Long Bond9733	Y118.065
Yeti6.54%	London:
TOTHER RATES	£1.5925 (1,6062) DM1.8568 (1,8364)
OK: 3-mo Interbank	FFr 6.2545 (6.1862)
研C 18 vr GMt181社 (1014)	SFr 1.5266 (1.5141)
France: 10 yr OAT99.79 (99.97) Sermeny: 10 yr Burd102.82 (102.95)	Y118.1 (118.195)
Japan: 10 yr JGB106.9974 (106.9226)	Tekye close: Y 118.55
NORTH GEA OIL (Argus)	E STERLING
Brant Dated	DM29568 (2.9496)



CONTENTS

FTSE Actuaries

Inc. Bond Service ........ 16 Managed Funds ..... 19-21 Money Markets ......... 17 Recent Issues Share information \_\_22.23 Landon SE . \_25-28 Wall Street

THURSDAY AUGUST 21 1997

# Rocket launch boosts China's space industry

By James Harding in Shanghai and John Ridding in Hong Kong

China yesterday successfully launched its first Long March 3B rocket, restoring confidence in its domestic space industry after several failed satellite launches in the past two years. Tha Xichang Satellite

Launch Centre reported that the China-made rocket had put the Philippines' first communications satellite into orbit early yesterday morning.

The satellite is owned and

(PLDT) company, the former telecoms monopoly. It also includes China's Everbright group, Indonesia's Pacific Satelit Nusantara and other Philippine companies.

jumped 40 pesos, almost 5 per cent, on news of the successful launch. On its maiden voyage last year, the Long March 3B, China's most advanced satellite

launcher, veered off course

operated by the Mabuhay consortium, headed by the Philippine Long Distance Telephone within seconds of take-off and sortium, headed by the Philippine Long Distance Telephone within seconds of take-off and strong husiness and serving the development of the national Long March 3B and is expected planned this year.

Mabuhay is understood to the national by the end of next month to the next launch booked for the little launches from China are development of the national by the end of next month. board and causing serious casualties oo the ground. The disaster was one of a

series of errors in tha Chinese space programme that have pushed up insurance premi-PLDT shares in Manila ums on Chinese launches and thrown doubt over the future of China'a commercial satellite launch business.

"The successful launch is of great aignificance in promofurther expanding Interna-

"So far everything has gone great," said a representative of Loral, which made the \$170m satellite sent ioto space yesterday.

Regional satellite operators said the launch confirmed that China's space industry was back oo track. "This removes the last obstacle to our launch," said Brian Lo of APT, the Hong Kong-based satellite ting China's space technology, operator, referring to the Apstar 2R satellite, which is

This is likaly to mark the arrival of another viable launch option," one industry executive said, referring to the crowded schedules for other heavy-lift vehiclas such as Russia's Proton and Arlane of France. "The Chinese failures had a knock-on effect, making

it bard to get a launch." The Mahuhay satellite was Chioa's 12th commarcial tomers with low prices. launch. Including Apstar 2R. s

Mabuhay is understood to have paid about \$240m for the launch, which it says is half the price of a launch from the US. Officials from Great Wall Industries, the state-owned manufacturer of the Loog March rockets, acknowledge successful launches to allay residual fears, but are seeking to attract international cus-

In the mire, Page 9

# Chirac in warning on creation of public jobs

By David Owen in Paris

Jacques Chirac, the Gaullist French president, yesterday warned the Socialist-led government against "a massive creation of permanent poblic jobs" as a hill implementing some of the Socialist party's youth employment promises was presented in Cabinet.

In remarks which underlined tensions between the president and government within days of the end of the summer break, Mr Chirac said France already had "the record ainong leading industrialised countries for the number of jobs financed out of public

resources" Private jobs France's high unemployment, he said. But the president stopped short of criticising the principles behind the bill, acknowledging that youth employment was "clearly the priority of everybody".

"One cannot but approve of the inspiration hehind this bill," he said. The measure would "have a tendency to make new activities emerge ~ activities that responded to unsatisfied needs to create jobs for young people".

He made his comments as Lionel Jospin, prime minister, appealed to the government's "natural partners" to commit themsalves to employing young people so that the mea-

tive in the fight against unemployment"

Mr Jospin's Socialists promised in their recent election campaign to create 700,000 "real" jobs in the public and private sectors. This pledge is thought to have played an important part in the left's unexpected victory.

More than 3m people are out of work in France. The cumulative rise in the number of jobless in May and June has reached nearly 50,000.

Yesterday's bill aims to cre ste 350,000 poblic sector jobs for young people over the next three years. Ways to achieve the creation of a further preferred way of reducing tor are expected to he discussed by the government, companies and unions at the end of next month or the start of October.

> Dominique Strauss-Kahn. the finance and industry min ister, has disclosed that the government is considering waiving a temporary rise in corporation tax for companies that give undertakings on investment and job creation.

Martine Aubry, employment and solidarity minister, said the government's plan was France's disillusioned youth. She said the annual cost of

Continued on Page 10

# Nato troops seize weapons for Bosnian 'coup'



Nato forces yesterday swooped on Bosnian police buildings where weapons were stored for a possible coup. Report, Page 10

# US trade gap narrows to \$8.2bn

By Leslie Crawford in Washington

The US trada deficit in goods and services narrowed to \$8.2hn in June from a revised \$9.5bn in May. Imports shrank for the first tima in aight mooths and exports climbed to an all-time high of \$78.4bn

The amaller-than-expected deficit confounded economists essential to restore hope to who had expected imports to continue growing because of the strength of the US economy and the dollar.

The performance of exports EdF to lift capital, Page 2 is likely to bring an upward revision of the US economic growth rate in the second quarter. Carol Stone, deputy cent. The trade deficit totalled chief economist at Nomura Securities in New York, said

\$55.5hn, the largest imbalance in nine years. But increased sales to Canada, Mexico and she had revised her estimate Latin America, where exports of second-quarter GDP growth from 2.2 per cent to 3 per cent. grew by 20 per ceot in the In the first half, US exports

some economists to predict a better trade outlook for 1998. William Daley, commerce secretary, said: "The trade deficit has been larger thus far this year," he said, "bnt upon

close examination this Cootinued oo Page 10

# Crustacean imports stick in the Louisianan craw

By Nancy Dunne and Stella Burch in Washington

A row over the fair price for crawfish - the main crustacean ingredient of Louisiana's Cajun gumbo stew – is coming to the boil, having pitted an alliance of US protectionists, free-traders and at least one top chef against China's small family enterprises.

The International Trade Commission, an independent US government agency, is due to rule on August 29 whether or not cheap Chinese imports of crawfish have harmed the US industry. Louisiana has thrown its weight behind the defence of the industry. The in Spain. This has raised tail legislature produced \$450,000 for legal fees to pay lawyers to a pound to \$5, a triumph for

the Chinese companies. Last month, the state even sent its most famous chef, Paul Prudhomme, to serve up a traditional Cajun crawfish side of the Pacific. According for commissioners staff and to Mr Steven Lehad, strorney attorneys attending the final for the respondents, the Chihearing on the dumping peti- ness industry was developed

tion. Mr Prodhomme pronounced the US product far auperior to China's frozen crawfish tail. Whatever the outcome of the

case, Chinese exporters bave already suffered a heavy hlow. In March, the US Commerce Department, which rarely finds against the domestic industry, said Chinese crawfish were indeed being sold below fair market value. This required the deposition of large bonds to compensate for the alleged unfair trade.

The department deemed China to be a non-market economy and then constructed a "fair market price" hased on prices meat prices from a low of \$2.25 bring a dumping case against the Louisiana Department of Agriculture and Forestry which helped bring the case. The crawfish controversy

looks different on the other

with the help of Louisiana importers to meet demand. Before then, crawfish were regarded as being of little The harvesting of wild craw-

fish has become a prime example of fledgling capitalism in China, encouraging small family enterprises to enter the global marketplace. By contrast, crawfish farming is big husiness in Louis-

iana. It is a \$300m industry and the US tail sector says it came close to collapse as Chinese exports rose from 353,000 pounds in 1992 to 6.5m in 1996. Last year, Pat Buchanan, seeking votes for the Republi-

can presidential nomination, called the Chinese imports a scandal. "We're going to put a 50 per cent tariff on those communist crawfish," he told an irate fish farmer. "It's more of this foreign trade boondoggie, more of this globaloney that is taking American jobs, destroying American industries, while the foreigners slt back and laugh at us."

**BURYATZOLOTO** 

USD 10,000,000 **Project Loan** 

LOAN STRUCTURED AND PROVIDED BY European Bank

FINANCIAL ADVISER TO THE BORROWER Russian Project Finance Bank

> **GOLD RISK PRINCIPAL** AIG International Inc.

TRADING

O THE FINANCIAL TIMES LIMITED 1997 No 33,375 LONDON - LEEDS - PARIS - FRANKFURT - STOCKHOLD - MADRID - MEN YORK - LOS AMERLES - TOKYO - HONG KOME

EUROPEAN NEWS DIGEST

Waigel presses

Theo Waigel, Germany's finance minister, who has often

served as scapegoat for the government's difficulties.

made it clear yesterday he was not prepared to serve in

His surprise announcement in a Bavarian television

minister - or lose him from the cabinet at the latest after

Mr Waigel's comments, underlining the tensions within

Mr Kohl's centre-right coalition, add to the pressure for a

cabinet reshuffle - a move demanded ever more loudly

Mr Waigel suggested earlier this month that if it was

Mr Kohl has ruled out a reshuffle but the political

clear ministers would not want to serve after the election

difficulty of having a "lame duck" finance minister could force a rethink. However, switching Mr Waigel to the foreign ministry would cause Mr Kohl fresh problems

with the Free Democratic party, the junior coalition partner, whose former leader Klaus Kinkel is the present

Belarus bars Russian TV

Belarus vesterday suspended all activities of the

atate-controlled Russian television channel, ORT, after

Ivan Pashkevich, deputy head of the presidential

two of its crews were arrested for violating a border zone. a spokesman for Alexander Lukashenko, the Belarus

administration, said the ORT management had organised

a "political provocation" against the country's leadership.

He said that similar steps would be taken against several

Mr Lukashenko has consistently accused Russian media

Russian journalists "who condemn the activities of the

of portraying him in a negative light and accused ORT

powers. A four-man ORT crew was detained near the

Lithuanian border on Friday in a near replay of the

Their declared aim was to show that the border was

The ban on ORT seemed bound to increase tension

etween the neighbouring former Soviet republics, which

signed a union treaty this year. Boris Yeltsin, the Russian

president, has said he may review the treaty if Belarus

Bonn move on compensation

Pressured by Jewish groups who say time is running out,

Germany agreed yesterday to consider offering more

compensation to Holocaust survivors in eastern Europe.

Israel Singer, the chief Jewish delegate in talks with

just and honourable settlement" for a rapidly dwindling

A panel of German and Jewish officials will be set up

and told to deliver an accord in three months, Chancellor

Helmut Kohl's chief of staff, Friedrich Bohl, said. Mr

of the Nazi regime, but those living in the Soviet bloc

could not apply for compensation during the Cold War.

Since German unification in 1990, Bonn has offered

Estimates of how many survivors could be eligible for

one-time payments of a few thousand marks or less to

Holocaust survivors in parts of eastern Europe and Russia, but Jewish groups and the US government say

Yeltsin proposes amnesty

President Boris Yeltsin has urged parliament to support an amnesty for nearly half a million prisoners to help alleviate conditions in Russia's overcrowded jalls, the

Kremlin press service said yesterday.
"I consider that the declaration of an amnesty will not-

also will allow the alleviation of the extremely tense

situation in our prisons," it quoted Mr Yeltsin as saving

Mr Yeltsin's proposal would grant an amnesty to

around 445,000 people, or roughly half of Russia's prison population. Of these, 35,000 people would be released from

prison or labour camp, and a further 60,000 would have.

International experts and human rights activists have

described conditions in Russian prisons as "appalling and

According to some Russian newspapers, many

Access order for Telekom

German telecommunications groups planning to take -

criminals, horrified at the prospect of life behind bars, have sought to be shot after their death sentence was

in a letter to the chairman of the lower house of

parliament, Gennady Seleznyov.

commuted to life imprisonment.

■ GERMAN COURT RULING

heir sentences shortened.

inhumane".

only be a humanitarian act on the part of the state . . . hut

spoke of "the best pace we can possibly schieve".

Singer, who says the survivors' average age is above 80,

Germany has paid about DM100bn (\$55bn) to survivors

German officials, said the outcome raised hopes for a

fails to release the ORT journalists. Reuters, Minsk

journalists of being in the pay of unnamed foreign

arrests of another ORT crew last month.

■ HOLOCAUST CAMPAIGN

Ralph Atkins. Bonn

this summer hy Mr Waigel and his Bavarian Christian

the job beyond next year's general election.

the September 1998 elections.

an earlier reshuffle might be better.

Social Union.

■ BORDER ROW

country'a lesdership".

oadly guarded.

group of victims.

RUSSIAN PRISONS

interview in effect challenged Helmut Kohl, the

chancellor, to find him a new job - such as foreign

for a new job

# Germany set for unexpected windfall

By Ralph Atkins in Bonn and Michael Smith in Brussels

A statistical windfall from the European Union should make it who, under pressure from consereasier for Germany to defy expectations and qualify exactly for European monetary union, German officials disclosed yesterday.

They said that Eurostat, the EU's statistical agency, had ordered Bonn to exclude hospitals' deht from official calculations of Germany's public sector deficit. The change could cut as much as 0.2 percentage points from this year's deficit, ensuring Germany meets exactly the 3 per cent target set out on a fresh deficit forecast to be in the Maastricht treaty on Euro- released next month. in March, the

Yeltsin

chides

media

chiefs

By Chrystia Freeland in Moscow

Boris Yeltsin, the Russian

president, lashed out yesterday at two of the country's

most powerful media hosses.

in a sign that the Kremlin's

top television networks have

officials were hehind recent

hostage-takings in the hreak-

away region. But the rift

a long-running battle over

privatisation. The conflict

put Mr Yeltsin in the hizarre

position of defending Che-

cheo separatists, against

whom he waged a fierce war

just a year ago. But it could

foreshadow a far more criti-

cal attitude to the govern-

ment in the Russian media.

At a meeting of Russia's Security Council. Mr Yeltsin

chided Igor Malashenko, president of the privately owned NTV television sta-

tion, for claiming earlier this

week that Chechen officials

were responsible for the kid-

napping of three NTV jour-

complex region and we can-

not allow...people like

Malashenko to start press

conferences by offending the

Chechen leadership." Mr

Kremlin's effusive gratitude

Mr Malashenko played a key

role in Mr Yeltsin's cam-

Boris Berezovsky, deputy

and a former husinessman

over ORT, the state-owned

television company, also

came in for a presidential

tongue-lashing. "It was not

necessary to stir up the mass

media," Mr Yeltsin said, crit-

icising Mr Berezovsky for

hacking NTV's allegations

about Chechen involvement

in the kidnappings. The

accusations were made pub-lic at an embarrassing time

for Mr Yeltsin, who on Mon-

day had held a cordial meet-

ing with the Chechen leader,

Ohservers helieved the

timing was not accidental,

attributing the imbroglio to

a lingering dispute over pri-

vatisation. Mr Berezovsky

and Vladimir Gusinsky.

owner of NTV, clashed with

wing last month after two

contentious privatisation

deals. "Berezovsky and Gus-

insky will always remain

loyal to the president, hut

they are now in a deep con-

flict with Chubais and Nem-

tsov," said a leading Russian

FINANCIAL TIMES
Published by The Financial Times (Europe)
GmbH. Nibelungsuplatz 3, 60348 Frankfurt am Main. Germany. Telephone ++49
69 136 580. Fix ++49 69 596 4481. Represented in Frankfurt by J. Walter Brand,
Wilhelm J. Srüssel. Colin A. Kemmard as
Geschäftsfährer and in London by David
C.M. Bell. Charman, and Alan C. Miller,
Deputy Chairman. The shareholder of the
Financial Times (Europe) GmbH is Pearson Overseas Holdings Limited, 3 Surlingtion Gardens. London. WIX ILE.
Shareholder of this company is Pearson
ple, registered at the same address
GERMANY:

GERMANY:
Responsible for Advertising content: Colin
A Kemard, Printer: Hitmyet International
Verlagsgesellschaft mbH. Admiral-Rosendahl: Strasse 3a, 0203 Neu Isenburg ISSN
0174-7363; Responsible Editor: Richard
Lambert, clo The Financial Times Limited.
Number One Southwark Bridge, London
cell of the Colinary of the

FRANCE Publishing Director: P. Maraviglin, 42 Rue L. Bootie, 78908 PARIS, Telephone (01) 5376–5254. Fax (01) 5376–5253. Printer: S.A. Nord Ecloir: 1521 Rue de Caire, F-39100 Roubaix Cules I. Editor: Richard Limbert ISSN 1148-2753. Commission Partiere No n7808D

Ryponsible Publisher: Hugh Carnety 463 618 6688 Printer: AS Kvillsudnimen Expressen, PO Box 6007, \$5550 06.

Onkoping

The Financial Times Limited 1997
Chior Richard Lambert, co The Financial
Times Limited, Number One Southwark
Bridge, London SEI 9HL

GERMANY:

FRANCE:

Aslan Maskhadov.

The president's remarks

Yeltsin said.

once cosy relations with the

pean economic and monetary

The revelation comes as a boost for Helmut Kohl. the chancellor, vative allies, has said Germany must achieve a deficit of exactly 3.0 per cent or below to qualify for the

If Germany were to meet the 3.0 per cent criteria exactly, it would strengthen Mr Kohl's hand in negotiations over other possible entrants and could increase the chances of s narrow membership.

excluding countries such as Italy. The finance ministry is working

minister from 1982 to 1993.

decided to join the European

hly take place next spring.

European applicant states

whose membership negotia-

tions would be held up if the

Danes rejected the treaty.

hagen newspaper.

that projection into doubt.

The change in the treatment of public hospitals' finances will private institutions. reduce the need for significant ministry repeated yesterday that accounting, because Eurostat had Germany had a "good chance" of achieving 3 per cent. Under the Eurostat ruling, some

DM5hn (\$2.7bn) of hospitals' debts will be regarded as coming under the private sector, and will therefore not be included in the Maas-

tricht calculations. The ruling may also help other poses of Maastricht.

Danes get another chance

government forecast a deficit for countries, but in Germany's case 1997 of 2.9 per cent, hut higher its justification is understood to unemployment and lower tax reve- have been the structure of the Paris-based Organisation for Econues than expected have thrown country's health system, by which insurance funds huy services from hospitals which, in effect, act as

The ministry said the change normal statistical revision". upward revision, and the finance could not be construed as "creative asked for the rule change to ensure consistency scross Europe. The European Commission said Eurostat acted independently as a specialist, technical body. Neither the Commission nor Eurostat were able to confirm whether hospital debt would be excluded for the pur-

Details of the latest change for low this week's report from the nomic Co-operation and Development, which forecasts a 3.2 per cent deficit this year but said 3 per cent was "well within the range of

The Federal Statistics Office in Wiesbaden is due next month to present revised economic statistics for the German economy which could alter figures for 1996. Other factors might have further positive effects this year. These include the treatment of EU agricultural subsidies which, under German practice, are channelled through government accounts.

# Grain row hits **Polish** coalition

coalition government looked set to collapse yesterday, a mere four weeks before parliamen-tary elections, after the Polish Peasant party (PSL), the junior partner, tahled a motion of no confidence in Włodzimierz Cimoszewicz, the prime minister.

Poland has imported more

However, in a hid to maintain the coalition while weakening Mr Pawlak, the members of the present SLD yesterday kept up efforts to try and get the motion withdrawn.

The PSL put forward its motion after the government refused to accept the Peasants' plan for prepayment on this harvest's grain deliveries. Waldemar Pawlak, the dour, 38-year-old PSL leader. charged that Mr Cimoszewicz was ignoring the plight of farmers.

than 3m tonnes of grain in the past 12 months, and high grain stocks mean that farmers are unable to sell grain harvested this year.

come to end.

the EU. In the party political ister.

has 169 seats.

# By Christopher Bobinski Poland's

Mr Cimoszewicz, a member of the reformed communist Democratic Left Alliance (SLD), accused the PSL yesferday of mounting a "pre-election spectacle" in which the grain issue was a mere "pretext". He said the motion meant that the coalition, which has governed the country since the last election in 1993, had de facto

Mr Cimoszewicz's strident tone signalled that he wants Brussels, suspicion of the to use the row to eliminate the PSL as a potential postelection coalition partner for the SLD. The prime minister is thought to be a supporter of a post-election alliance with the pro-reform Freedom Opposition is strongest Union, a Solidarity-hased group led hy Leszek Balcerowicz, a former finance min-

Jozef Oleksy, an SLD leader, said that the coalition would have collapsed only once the PSL's ministers in the cahinet had voted for the motion in parliament next week. The SLD has 11 cabinet seats while the PSL

has seven. The motion has little chance of success as the PSL has a mere 127 seats in the 460-seat parliament, and none of the larger opposition groups have said they will back the farmers. The SLD

For his part, Mr Pawlak is telling his farming constituency, which makes up around one-third of the electorate, that the PSL is determined to back ita interests. In the last election, the PSL won 14 per cent of the national vote. It is at present getting about 10 per cent support in the opinion polls.

in government securities.

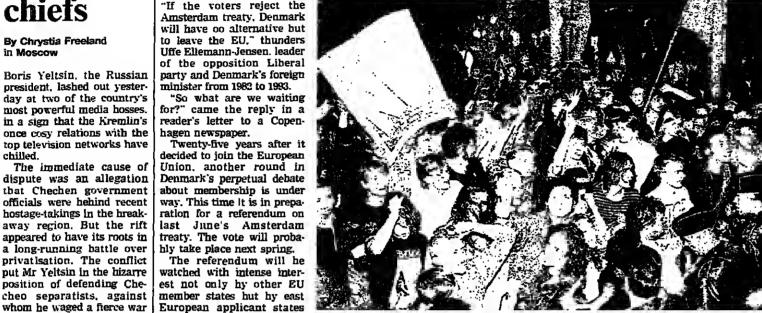
While a market in govern-

ment securities can provide

some depth, such regula-

tions create captive bond

#### to put brakes on Europe "If the voters reject the Amsterdam treaty, Denmark will have oo alternative but to leave the EU," thunders Uffe Ellemann-Jensen. leader of the opposition Liberal party and Denmark's foreign "So what are we waiting



Will they do it again? Copenhagen voters celebrate after the 1992 referendum rejected the Maastricht treaty. Next year they give their verdict on the Amsterdam agreement

independent state," he said.

The document cannot come cal party, argues that the into force until It is ratified hy all 15 EU members. Opinion polls indicate that hetween 30 and 40 per cent of voters do not yet know bow they will vote. Among those who have a view, the halance is virtually 50-50. ment to east European expansion.

The history of Denmark's referendums on the Maastricht treaty is evidence enough that a vote in favour of Amsterdam cannot he taken for granted even though there is majority support in the Folketing (parliament) for the treaty, just as were in contrast to the there was for Maastricht. in 1992, the Danish electorto Mr Malashenko after last ate sent Europe into shock in 1992 hut a Yes in 1993), is tlation of Maastricht. Rene- as articulated by Mr Dahl-

Denmark obtained opt-outs government will be able to from important aspects. including the single curhead of the Security Council | rency, the defence aspects of common foreign and secuwho exerts great influence rity policy, and immigration and police co-operation, the voters approved it in a second referendum in May 1993. The prime minister, Poul

Nyrup Rasmussen, who heads a minority government of his Social Democrats and the small, centrist Radi-

Amsterdam treaty contains improvements which are in Denmark's interests. He lists chapters on the environment, employment, openness, fighting corruption and, not least, the commit-

Many other EU politicians would add that the Amsterdam treaty turned out to be a rather modest document conspicuously short on grand projects for close political integration. However, Holger Nielsen, leader of the leftwing Socialist People's year's presidential elections. When it turned down the urging a vote against gotiation of the Amsterdam gaard, that it is all going to Maastricht treaty. But after Amsterdam, claiming the Treaty was oot an option, he

ohtain a renegotiation. Frank Dahlgaard, a Conservative party backbencher. who is becoming a thorn in the side of his leader. Per Stig Moeller, argues that a lts situation hecame so left and far right are against, No "will stop the march towards a United States of Europe".

Mr Nyrup Rasmussen told a party meeting this month that a No would plunge Denmark "into an unpredictable and deeply chaotic situatlon". A renegotiation of the treaty, he said, was "completely unrealistic".

Mr Ellemann-Jensen, the for its agricultural products. most articulate and pugnaciously pro-European Danish tional objections to the politician, says that rejection power of Brussels and to the of Amsterdam would force Denmark out of the EU. regulations coming from reminds voters

that although Denmark got its opt-outs Catholic countries of party (which advocated a No in 1992, there was no renego- southern Europe, and fears. said: "And there is nothing in it from which we can opt

Denmark, with 5.2m people, cannot hold up the EU's expansion, he argues. If untenable that it had to while at least four-fifths of withdraw, the best the country could hope for would be Folketing, representing the "The perspective which an agreement along the lines lies ahead in the present of Norway's under the terms development of the EU is the of the European Economic abolition of Denmark as an Area treaty between former

parties of the moderate right and left, are in favour.

European Free Trade Associ-

ation (Efta) non-members

Accounting for the cootin-

ned doubt about EU mem-

bership is not easy. Econom-

ically, the EU has benefited

Denmark, especially hy

keeping open a large market

But there are deeply emo-

limitations on the legislative

among women and support-

ers of leftwing parties, while

young men tend to favour

line-up, the parties of the far

There is also irritation at

powers of the Folketing.

and the EU.

get worse.

Hilary Barnes

# EdF in move to triple capital

By David Owen in Paris

Electricité de France, the French state-owned electricity group, looks set to triple its capital and reserves by the simple expedient of securing unequivocal ownerthe government's liheral ship of an asset which the government says the company owns already.

This follows the presentation yesterday in cabinet of a bill ratifying accounting reforms provided for in an agreement between the company and the state earlier this year.

EdF's ownership of France's electricity grid will he confirmed, removing the "legal ambiguity" that is said to

its current concession.

The adjustment is felt to Such a move would allow

lions of francs of provisions built up over the years international investors. against the entirely notional risk of the state withdrawing would in effect, make the changes outlined above.

This, plus a string of related balance-sheet adjustments, will enable the com-

If this hill is adopted una- and reserves from FFr34bn than FFr20bn in tax carrymended by parliament, (\$3.8hn) to FFr79bn (\$12.7hn). This compares with overall assets at the end of 1996 of more than FFr690hn.

be necessary as a way of hetter reflecting the true posithe company to release bil- tion of the company and bolstering its credibility to

company liable to pay corporation tax on profits earned in 1997 and thereafter. This is hecause they would result pany to increase its capital in the cancelling out of more post-tax profits.

overs from losses made in previous years. Under the agreement hetween the company and

the state covering the period between 1997 and 2000, EdF will also pay an annual 3 per tions, which stand to increase from FFr36.6hn to The planned changes about FFr50hn under the

This would be down from an annual rate of 5 per cent previously. It will also pay a "dividend" of 40 per cent of

advantage of full liberalisation of the market from next year yesterday welcomed a Cologne court ruling ordering Deutsche Telekom, Europe's largest telecommunications group, to offer competitors direct access to its networks. The ruling was the latest round in efforts by the German post and telecommunications ministry regulator until the end of the year – to forge an acceptable deal on "interconnection" arrangements which are regarded as vital to ensuring strong competition. It encouraged competitors' hopes that regulatory issues can be resolved swiftly and not become embroiled in

lengthy court battles. Deutsche Telekom was last night still deciding whether to appeal. Raigh Atkins, Bonn

■ ECONOMIC WATCH

### Danish forecast revised

Denmark'a economy ministry yesterday revised, downward its forecasts for key economic indicators but said that the changes were modest and the country was in robust shape. outst snape. The report predicted 1997 gross domestic product

growth of 3.1 per cent, a sharp rise from 1996's actual 24 per cent but down from the ministry's last forecast, in May, of 3.5 per cent:
This is a moderate downward revision of GDP growth.

in 1997, which is due to a downward adjustment of activity in the building and construction sector, the survey said. The ministry's forecast for 1998 GDP growth was unchanged at 3 per cent.
Yesterday's forecast also saw a sharper than previously.

expected fall in the current account surplus, to DKr9.5bp (\$1.4bn) in 1997 from DKr16.7bn in 1996: It forecast a 1998. surplus of DKr10.5bn, down from its May projection of

Unemployment projections were unchanged from May, with 7.8 per cent of the workforce jobless in 1997 and 7.4 per cent the following year. Reuters. Copenhagen

# Pensions boost for financial markets

By Bertrand Benoit and Matej Vipotnik

or central and eastern European govern-ments one attack of pensions reform is that the creation of new private pension funds should give a boost to underdeveloped financial markets.

Funds' investment activities should increase market depth by boosting volume and promoting an equity culture. Latvis, aiming to be a hig regional service-provider, is considering pension

establish a world-class finan- as in the US and UK. cial market. Poland is reforming its state pensions system out of necessity. Yet these would streamline the hy financing reform through privatisation, the move will mulate capital, up to 15 per

financial activity.

Investment activities of the funds should increase market depth and promote an equity culture transparency and raise stan- local companies and benefit Development, says: "In gen-

dards of corporate gover- economic growth. nance hy focusing on long-term investment. The experience of advanced industrial countries suggests pension funds have encouraged development of monitoring structures, ultimately reinforcing the soundness of financial markets.

This is related to funds' portfolio structure, with the hest results achieved by reform primarily as a way to those investing in equities.

World Bank simulations of Hungarian reforms found pensions system and accuhave s strong impact on cent of gross domestic product in 2010. These savings The funds should improve will become available to Bank for Reconstruction and

For investment funds to operate normally, market duce funds has not been infrastructure must meet found, I would advise cau-

certain criteria, sncb as a working settlement system ensuring trading fluidity. The banking sector must be well-regulated, and there should be an active market in government securities markets of eastern Europe with long-term maturity.

in Romania, the two existing funds have had little activity since their creation in 1993. In the past, the World Bank has insisted on the need for private funds and market infrastructure to in Prague. The opposition's develop hand in hand.

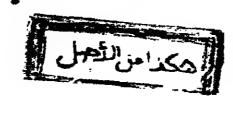
eral, as the magic formula about when exactly to intro-Introducing funds prema-

turely is seen as the main source of failure. But strict regulation protecting investment in the thin and volatile can slso inhibit the funds' impact hy limiting returns.

The Czech government is considering re-inforcing the funds' regulatory framework, says Vladimir Kreidl, economist at Patria Finance Hans Peter Lankes, chief funds to invest in housing economist at the European could also affect returns.

markets and artificially lower yields. The Czech Republic, which maintains no regulations except a 10 per cent limit on investments in the same company, does not plan to mandate government bond purchases. And scarcity of savings can also be crippling. Making contributions to the private pillar mandatory

can help, hut "it would be wrong to introduce pensions reform for financial impact. One must keep sight of the goal: to solve a social problem," said Mr Lankes. demand for a law ohliging This is the last of three orticles on eastern Europe's pension problems. The second Some western countries was published yesterday



UK ev volcan

.

12.

interes of the contract of the Property of the same . .

Colombian 华祖也 一 4-17-1-

- .... 

Part 200 ---

Roads consu There is the parties.

the state of the The Court and But Andrew Same of the second

(S may rela Casted Edition Property of the second section to be

Car San Cipara er er biner description to e eppuration Parity II es imis O

the far

By Imogen Mark in Sentiago

Charles Charles

an TV

... 1.0 Et 23

12

11.0

7501 187002

11.3 域

. . . . . . . . . . . . . . . .

Pensahon

227 No

7 3 1 55

in the state of

Ruesti

(Thie's civil society scored a quiet rriumph yesterday with the publi-cation of a "white paper" on defence, a first ever for Chile, and

for Latin America.

Defence has never before been e public issue, it's been a taboo subject, reserved strictly for the military establishment. But with this paper, the debate is out in the open," said Santiago Escobar, a the group of 100-odd academics, government officials, congressmen and senior military figures

who worked on the document. The paper's six chapters range from a theoretical debate of the

definition of war to the impact of giobalisation on national defence defence ministries can get strategy and more particularly, Chile's growing economic inter-dependency with its neighbours.

The most read chapters, at least by Chile's neighbours are likely to be the sections on defence spending, and how tha defence

together in the region and work out a standard methodology, so region. we can really compare what we

are doing. "Otherwise, the issue will go on being manipulated for political

the defence ministry, "but we're contains a description of each of publishing it in the hope that the three services, and their these with other forces in the

> The sources for the figures in this section were other public studies, including the Military Balance published by the Londonbased International Institute for

through Chilean territorial waters nardo O'Higgins, Chile's national of shipments of nuclear or toxic liberator, and a figure of veneraarsenals, with tables comparing waste, or over-fishing in the tion for the Chilean army. The Pacific.

> Commenting on the relations between the military and the civil- which culminates on September ians during the two years' debate and drafting it took to produce the paper, Mr Atria says: "At tha beginning, we thought there would be a lot of conflict and different positions, but in the end we found there was a lot of common

The government scored a sym-

ing spending can be questioned," defence spending sppear smaller terrorism, and threats to the envi-bolic hit by publishing the paper says Rodrigo Atria, spokesman for by comparison. The document ronment, such as the passage on August 20. birthday of Berbirthday traditionally marks the start of the annual "army month",

19 with a military parade. This year, the month has a speclal significance for the army because this is the last year in office of its other lay-saint and army commander, General Augusto Pinochet, who resigns his post next March after almost

dened by beavy household

debt and feeling the pinch of

public sector cuts. Cana-

dians were growing weary of

economic sacrifice for the

promise of long-term gain.

Governmental efforts thus

far have been remarkable,

with the combined federal-

provincial deficit down to

C\$23bn in the 1996-97 fiscal

of almost C\$66bn in 1992-93.

Those efforts, and the cen-

tral bank's policy of main-

taining inflation under 3 per

# Venezuela balanced budget predicted

By Ray Colitt in Caracas

Venezuela's finance minister yesterday predicted a balanced budget and sustainable economic growth in spite of the huge cost of this

year's labour reforms. The fiscal situation would be stable. Luis Raul Matos said yesterday, even though the reforms had brought the government's total labour obligations to \$14bn: "We will still bave a balanced budget or a slight surplus in

Mr Matós insisted that Venezuela would have no difficulty in maintaining a budget surplus in coming years as well, largely because its revenues no longer depend exclusively on the price of oil. An increase in the volume of oil exports and a guaranteed dividend from the state oil company PDVSA will ensure an

year compared with a high increase in future revenues. "Eventually our goal is to finance the entire budget without petroleum income said Mr Matós. Tax compliance was on the rise, while cent, appear to be paying off. current expenditure in real

terms was falling, be added. Before adopting a series of economic austerity measures under the auspices of the International Monetary Fund in April last year, Venezuela had a budget defi-

cit of 5-6 per cent. The government is expec ted to renew its stand-by agreement with the IMF

later this year. It has met nearly all previous macroeconomic targets and does not require additional funding from the IMF. However, a renewed agreement is seen as adding credibility to its economic programme. Mr Matós said Venezuela

would achieve consistent economic growth of 6-7 per cent over the next few years: "What we will see from now oo is a self-sustainable economic growth." GDP growth for 1998 is expected to reach per cent.

Private-sector demand is replacing government spending as the determining factor of economic growth, be said.

Strategic Studies. In the Chilean defence budget, ministry calculates its budget. For The other novelty in the paper for example, almost 40 per cent the ministry, making this public is the discussion of new threats to is one of the most important aims goes to pay pensions. But other Chilean and regional security. countries account for these in a "Our methodology for calculat- different item, making their These include drug-trafficking,

Domestic spending revival boosts Canadian economy

After years of relying on exports to fuel growth, Canada's domestic economy has to the highest point this started to show signs of a strong revival based on increased business spending and consumer demand for Exports to the US, the main "big ticket" items auch as

furniture and cars. The latest good news for the Canadian economy was the July composite leading index's rise of 0.8 per cent over June. The index, which measures activity in 10 sec-

shipments, employment, and bousing, showed that durable goods sales accelerated

The revival of the domestic economy is well timed. engine of Canada's recovery from the severe 1990-92 recession, have grown little since the beginning of the year, Economists, however, believe the domestic economy is now strong enough to compensate for this slow-

GDP grew 3.4 per cent during the first three months of the year and should grow 4 months and economists foreper cent for 1997, despite the cast that 700,000 more will be export alumn.

Tha domestic economy will be there to fill the void created by lower exports and less public spending," said Craig Wright, the Royal Bank's deputy chief economist. An important factor has been a noticeable drop in the jobless rate, which fell to 9 per cent in July, the lowest level in seven years

An estimated 220,000 iobs

were created in the past five generated in the next two years, pushing the national rate down to 8.7 per cent in 1998. And if the economy continues to perform as expected, the rate could fall to 7 per cent by the end of tha decade, said Tim O'Neill, the bank's chief economist.

The recent employment figures show most of the new jobs have been gener-

tors including stock market down. Indeed, the Bank of and down from 10 per cent ated by the domestic econ-performance, manufacturing Canada last week reported in November. trades and manufacturing. reflecting an increase in consumer demand.

"The boost that employment growth has given to income and confidence this year provides the necessary basis for further growth," the composite index report said. A recent opinion poll released by the Angus Reid Group showed that Canadians are more optimistic about the economy than at any time during the past 10

higher sales and profits in the third quarter, according to a recent survey of 1,200 business leaders by Dun & Bradstreet Canada. optimism

optimistic, as a growing

number of companies expect

prompted businesses to loosen their purse strings this year in an expected C\$83.8bn (US\$60.7bn) spending spree for new construction, machinery and other equipment, according to government estimates.

The domestic revival could

AMERICAS NEWS DIGEST

# **UK** evacuates volcano island

Montserrations started leaving their island yesterday in a voluntary evacuation of the British colony in the eastern Caribbean. The island has been ravaged by a volcano

which scientists say is threatening a massive eruption. The evacuation followed an announcement by the British government and the island's administration that anyone wanting to leave would be given financial assistance for transportation and resettlement. Those leaving are going to neighbouring Antigua and Guadeloupe, or to the UK.

The administration said the evacuation was voluntary and it was not forcing anyone to leave. However, few are expected to stay. The amount of money being provided by Britain to the refugees has been criticised by some Montserratians, who say more should be provided for the fransportation of personal belongings, including motor Conute James, Kingston

MPUTER PREDICTION

### Internet hook-ups spread

Some 82m computers worldwide will be linked to the internet by the end of this year, up 71 per cent from 1996, according to Dataquest, a US market research group. The growth in hook-ups was being driven by increased business use of the internet, the researchers said. The

four years and by 2001 about 268m computers are projected to be connected to the internet. "Businesses that already pay for desktop computers for

employees increasingly recognise the incremental benefit of adding internet access," said Kathryn Hale, principal analyst. Within two years, links to "extranets" networks based on internet technology that link companies to their customers and suppliers - would become more important for husiness personal computer users, she said. "By 2001, it will become nearly pointless to pay for a desktop computer for an employee without including internet access." Louise Kehoe, San Francisco

■ RADIO SCANDAL

### Colombian ministers quit

scandal over the allocation of radio station concessions. Rodrigo Villamizar, minister of energy, and Saulo Arboleda, minister of communications, were recorded on tape as they discussed using their influence to ensure the concessions were awarded to friends and government

The attorney general has opened an investigation for possible criminal offences. Mr Arboleda had previously been criticised for trying to censor media which attacked the government for corruption.

The minister for economic development, Orlando Cabrales, has been appointed to the energy post and José Fernando Bautista has moved from vice-minister to minister of communications. Sartia Kendall, Bogotá

PERU PRIVATISATION

### Roads consultants named

Promoepri, the Peruvian state body in charge of infrastructure privatisations, has announced the selection of 15 companies and consortia to offer consultancy services for its pilot programme of road network

These include US, Spanish and Latin American engineering companies, lawyers' studios and specialists in environmentalmatters, often in association with Peruvian

Three are interested in becoming the investment bankers to promote the road concessions. Salomon Brothers, Banco Bilbao Vizcaya in association with Peru'a Alpha Consult, and Bice of Chila together with the Apoyo organisation of Peru.

Peru has a \$2m fund from the InterAmerican Development Bank to finance the initial studies. The creation of an apolitical institution to regulate use of roads and setting of tolls will be crucial, say Promcepri

■ PAPAL VISIT

### US may relax Cuba ban

The US government may temporarily ease travel restrictions on US citizens for the Pope's visit to Cuba. However, the administration emphasised that this would not be a permanent relaxation of the 34-year US embargo against the Castro government.

The Pope is to arrive on January 21 for a five-day visit. Catholic organisations have applied for travel and humanitarian aid clearances. The Archdiocese of Miami, whose membership includes many Cuban exiles, has requested permission to sail a pilgrim ship to Havana with 1,600 passengers. The White House said the archdiocese's application was being considered under

regulations concerning religious travel. The embargo limits Cuban travel to US citizens visiting for specific research, family emergency, humanitarian or Heather Bourbeau, Washington

# Long-distance route shown by 'road map'

FCC ruling makes way clearer for telephone operators, write Mark Suzman and Nikki Tait

oad maps are useful things for stranded travellers, but when the directions are 210 pages of dense, legalistic text, even the bardiest may be tempted

to call off the journey. Nevertheless, with successful navigation guaranteeing entry into the \$70bn US long-distance telephone market, Ameritech, the Chicago-based local phone company which has just been refused permission to offer such services by the US Federal Communications Commission, is determined to

Despite its decision, the FCC's weighty ruling - the map in question - demonstrates a strong willingness to help Ameritech reach its destination. The commission went out of its way to praise efforts made so far by the company in opening its market to local competition the key criteria for being

allowed long-distance entry - and said the detail of its judgment was intended to help Ameritech and other local carriers, the "Baby Bells", meet the necessary conditions in future applications.

Armed with that detail, both telephone companies and tha commission are increasingly confident that the long-delayed era of improved services and lower prices promised by last year's landmark Telecommunications Act is finally in

The FCC's desire to belp is born out of frustration with \$100bn local phone market is opening to competition. Only last week, Reed Hundt, FCC chairman, complained of the danse "lawyerly fog" that was hampering the process, and called on Congress to formalise the FCC's power, questioned in a court judgment last month, to intervene in local pricing struc-

. In the meantime, the commission is using its authority over decisions such as tha Ameritech application and its approval last week of the merger hetween Bell Atlantic and Nynex, two other Baby Bells, to try to force the local telephone companies to accept greater competition as a condition for pursuing other business

Long-distance companies like MCl and AT&T, and other smaller companies, have complained that the Bells have blocked their entry into local phone mar- of the guidance means it kets through inadequate ser- could take four to five vice provision, limited infor- rounds of applications before mation-sharing and other approval is reached and few technical problems.

In its decision the FCC essentially agreed with these charges. Specifically, it concluded that in three key areas Ameritech had not met the 14-point "competitive getting very literal in its checklist" set out in the act. These were a failure to show it provided competitors with equal access to systems ment that the map is now needed for installation, much easier to read.

repair, billing and maintenance, inadequate assistance with emergency services, and a failure to provide quality interconnection services.

It also found that because Ameritech's long-distance subsidiary did not have separate directors from the parent company and had not fully disclosed all relevant business information, it did not meet federal requirements.

Because it detailed what Ameritech needed to do to remedy the situation, analysts said the guidance was very valuable.

However, BellSouth, which expects to file shortly for permission to enter the long-distance market in South Carolina, expressed concern that the FCC's desire to see Bells use the "forward-looking" costs of operating a network - rather than the capital costa of establishing it - as the pricing basis for access to their lines was contrary to the recent court judgment.

Reed Hundt complained of the dense 'lawyerly fog' hampering the process

problem is a further condition, not formally evaluated in this decision, which is the glacial pace at which the that the FCC must determine whether the application is in the "public inter-

> However, whila the com mission stressed that this test was an "independant requirement" to the checklist, it said that future evaluations would not insist thet the Bells lose a specific percentage of markat share as evidence of their openness to

> competition. Even with all the new guidance, however, it remains unclear how long it will take for the first local phone company to enter the

Dick Notebaert, Ameritech chief executive, says the company could resubmit an application "within weeks" and be up and running next year, while Mr Hundt predicts that Baby Bells should be offering long-distance service "well before" 1999.

However, some analysts

believe that the complexity

see any possibility of entry before late next year. "Long-distance isn't going to be an occurrence before mid-1998," said Susan Passoni at Cowen & Co. "The FCC is interpretation of the rules." Literal or not, however. there is widespread agree-

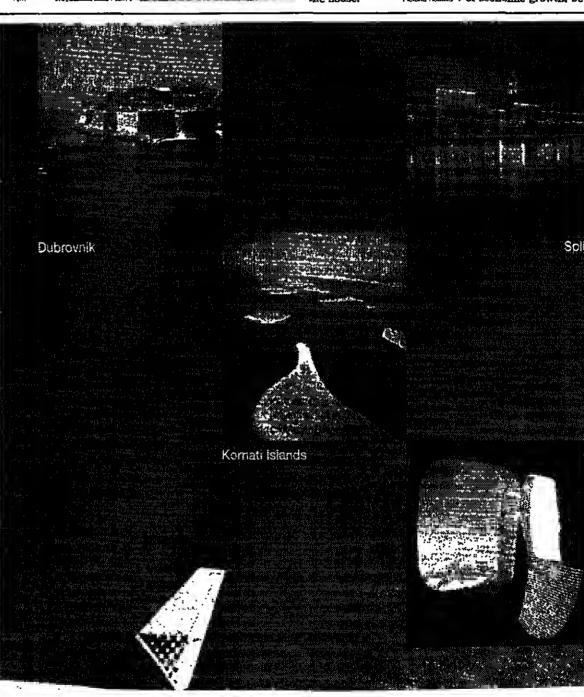


### Sale of hippie memories

A piece of the "Summer of Love" goes on the anction block this autumn wben rock and roll souvenirs of the hippie era, including a bouse where Grateful Dead members lived and were arrested in a 1967 drugs raid (pictured left with current tenants Francine and Michael Filice), are sold, Reuters reports from San Francisco.

Organisers of an anction of memorabilia of the 1967 summer gave an advance look yesterday at some of the 300 rare photos, posters, letters and other items to be sold by Butterfield & Butterfield in San Francisco

on October 4. The memorabilia are expected to fetch a total of about \$500,000 excluding



DISCOVER THE BEAUTY OF CROATIA FROM OUR PERSPECTIVE!

\*CROATIA AIRLINES

# INFORMATION and RESERVATIONS:

#Amsterdem (020) 318-42-78 #Berlin (030) 401-01-36-28 #Dubrovnik (020) 41-37-77 #Frankfurt (069) 92-00-520 器LONDON (0171) 30-83-138 毎 Paris (01) 426-53-001 毎 Pula (052) 23-322 番 Rijeke (051) 33-02-07 番 Sarajevo (071) 66-61-23 #Skopje (091) 11-58-58 #Zegreb (01) 45-51-244 #Zürich (01) 261-08-40 or in your travel agency

# Israeli aircraft bomb Lebanon

By Judy Dempsey in Jerusalem and Rnula Khalaf in London

israel yesterday launched three air strikes in Lebanon in retaliation for Tuesday's attack on civilian targets in northern Israel by Lebanese Hizbollah guerrillas but denied it was seeking to escalate the conflict.

Israeli aircraft attacked a power line near Sidon and dropped hombs near a Lebanese Army position. Reports from Beirut said four Lebanese were wounded in the raids, which caused a power cut in Sidon.

"l don't see anythiog unusual in striking Hizbollah military targets. We did it in the past and we do it when necessary." said Israel's Brigadler General Oded-Ami.

Rafiq Hariri, Lebanese prime minister, said attacks on utilities and other infrastructure showed "the criminal mentality" prevailing in Israel. "If Netanyahu's government does not change its policy towards peace and towards Arabs and Palestinians, the region will remain a field of violence and instability," he said,

Israeli army was trying to rity forces, in which 1.000 avoid targeting civilians. "It is not our policy to burt civilians...We do not want a returu to the Grapes of Wrath," he said, referring to the 17-day offensive in April last year wben Israeli forces killed 200 people, mostly civilians, in southern Lebanon following Hizbollah rocket attacks on northern

The ceasefire understanding which ended that offensive bars attacks on civilians but not on military targets. An international monitoring committee, consisting of Lebanese, Israeli, Syrian, US and French officials, was also set up to deal with complaints on both sides of the

Diplomats are increasingly concerned about the rising tensions on the last active front in the Arab-Israeli con-

# African deep waters seen as new oil source

By Barnaby Phillips in Luanda and Robert Corzine in London

that the deep waters off barrels. Africa's west coast will be a hig new source of oil in the next decade.

recoverable reserves, but spend hundreds of millions company officials in Luanda. the Angolan capital, are optimistic that the Dalia field's potential is greater than that of the nearby Girossol field.

Girossol's proven reserves 500m-700m barrels of rela- larly fruitful. in April Chev- 1996 reserve base. The big oil discovery off tively light crude oll, ron, the US oll company,

this week is the latest proof reserves could reach 1.5hn the deep water Block 14, to region, accounting for 20 of The discovery of fields with 1bn barrels or more is what we've found out there," an increasingly rare occur- says Chevron's Jim Henley. Elf says it is too early to rence, even though the big give a definitive figure for international oil companies

panies involved was illusof dollars each year trying to find them. Such large fields can sustain companies financially for 20-30 years.

Natwest Securities. It said that if Block 17 Deep water discoveries

West African countries, but

"We're tickled to death with

The importance of the

deep water area to the com-

trated in a recent report by

have been made off several expectations - around 3bn barrels - then it would be have been estimated at Angola has proved particu- equal to a fifth of Elf's total

Angola has been the focus Angola announced by Elf although some estimates said it had discovered a of much of the deep water Aquitaine of France earlier suggest total eventual potentially "giant" field in exploration effort in the the north of the latest finds. the 57 wildcat wells drilled so far in the deep water.

has not impeded the steady growth of Angola's oil industry, which is concentrated offshore and thus relatively immune from the fighting. Nor has it damaged the perception among oil companies reserves turned out to be at that Angola is a good place the upper range of industry to do husiness.

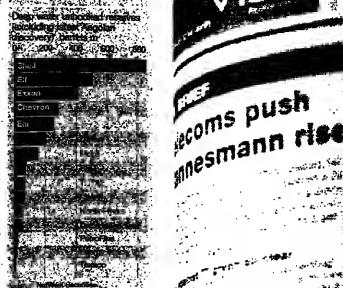
"The government has the deterrent for some oil comreputation of offering generous fiscal terms and of not

once it has been signed," says one Luanda oil analyst. A new round of deep water licensing is due next year. It Angola have been downhas already set off fierce hidding between British petro-Two decades of civil war leum, Texaco, BHP and Petrobrás of Brazil.

The experiences of oil companies elsewhere in West Africa have not been as positive. Several large discoveries have been made off the coast of Nigeria, but the difficulty of doing husiness in

re-negotiating a contract disappointment at the performance of some recent discoveries. Reserve estimates for the Bengo discovery in graded, and Statoll of Norway is reported to have run into reservoir problems with several of its Nigerian discoveries.

But even so, most analysts expect that West Afica's deep water reserves will climh to 15bn-20bn barrels, with perhaps 1m barrels per day of production by the



# Egypt's militants rethink strategy Iran cabinet

Attacks on police and troops counterproductive, say jailed Islamic leaders

attacks on low ranking members of the security forces people," said Yassir al-Sirri. despite resistance from hardliners who are said to have killed four police officers and a civilian in southern Egypt on Tuesday.

The first signs of a changing policy emerged last month when six imprisoned leaders of the two main groups - al-Gama'a al-Islamiyya and al-Jihad – called for a unilateral and unconditional ceaselire in their five-Mr Oded-Ami said the year conflict with the secupeople bave died. Islamist leaders bave since called for an end to the killing of Coptic Christians, and hinted that instead of fighting each other Moslems should unite for an expected war against

> Both groups were founded in 1981 after a split in the original al-Jihad group which was formed in 1958. Both al-Gama'a al-Islamiyya and al-Jihad, which was responsible for the assassination in 1981 of Mr Anwar al-Sadat, the Egyptian president, now see their popular support diminishing as their social and religious activities bave been replaced purely hy violence against the government, which refuses to allow religious groups a

political voice. "The Gama'a al-Islamiyya particularly in the choice of cial support to the ceasefire.

gypt's militant Islam-ist organisations are of conscript soldiers and in considering a halt to the killing of the Copts. This bas alienated ordinary a London-based Egyptian Islamist exile, who faces a death sentence in Egypt and has close ties with the main

> "The common man has become the fuel of the fire, instead of the people at the head of the regime. This violence was mistaken because it gave the regime more respectability. The [Islamist] organisations are weak because their connection groups' ceasefire call, and with the masses has been weakened," he admitted. suggesting that the violence is likely to he redirected rather than stopped.

ollowing last month's call, internal differences over the ceasefire within the Islamist organisations emerged. Imprisoned leaders in Egypt supported the call, while those in exile as well as some militant cells at liberty in the country advocated

On August 9, Shiekh Omar Abdel Rahman, the Gama'a al-Islamiyya's spiritual guide serving a life sentence in the US for his part in the 1993 World Trade Centre bombing, supported the ceasefire call. On August 12, a statement in Murabitoun, the Gama'a al-Islamiyya newshave committed blunders, letter, appeared to give offi-

response to the realisation that "the policy of unlimited confrontation established hy the Gama'a al-Islamiyya was wrong," adding that the Islamist groups had been weakened hy a failure to coordinate their military

The two main groups now aim to re-establish a functioning presence among the population.

The Egyptian government has so far rebuffed the suspects it is intended to ease pressure on the Islamist groups while they reorganise their campaign. "Security bodies in Egypt will not stop confronting terrorist groups," said Hassan al-Alfi, Egypt'a interior minister.

The government's refusal to countenance any form of dialogue with the armed groups is viewed by some Egyptian political commentators as a lost opportunity: "ft's very important that [the Islamists] have said there should now be no attacks on the Copts, and that Moslems should group together to defend the Arab cause against Israel," said Fahmi Howeidi, a political commentator with links to the Islamist movement. "All these things mean

that they are rethinking



Militants being led from a police van: Islamic groups are Mark Huband now planning a 'corrective move'

# wins backing from Majlis

By Robin Allen in Dubei

Iran's 270-member Majlis (parliament) yesterday gave of nominees to two ofthe blanket approval to President Mohammad Khatami's new 22-member cabinet, with ture and Islamic guidance speed and consensus which, western diplomats Nouri as interior minister. say, "has strengthened the president's authority and the standing of the Majlis". robust debate", Mr Mohajer-Much of the credit is given ani and Mr Nouri were conto Mr Khatami for his firmed by 144 and 153 votes defence of his nominees.

Parliament's ratification of the new cahinet has to be endorsed by the 12-member Council of Guardians, seen as a formality,

The new cabinet is not expected to initiate changes received 241 and 238 votes in foreign policy to the US or respectively. Europe It is only one of five Analysts say President centres of power and in for Khatami is expected to build eign policy, decisions are on yesterday's endorsement taken hy Ayatollah Ali Kha- to enforce respect for civil menel and the National Security Council, of which the president is one member

Mr Khatami was elected last May in a landslide victory over his conservative rival, Ali Akbar Nateq-Nouri, who was subsequently re-elected speaker tion of the country's wealth, hy the Majlis. Many Majlis conservatives were critical of the new president's reformist leanings, espe-

pretations of social habits. Many MPs were suspicious

four key cahinet posts -Ataollah Mohajerani as culminister, and Abdollah After what observers described as "10 hours' respectively out of 266 MPs who voted.

The other two key nominees, Kamal Kharazi as foreign minister and Qorbanali Dorri Najafabadi as information (intelligence) minister,

rights, including greater freedom of expression. Some analysts expect evolution to the formation of political parties and away from the loose groupings which exist

They expect Mr Khatami to push for fairer distribuand a relaxation of the prejudice against foreign investment and private-sector development.

 $79\% \, \mathbf{1}_{1229}$ 

WE SHEETICE

一 でいる 神経療療

All the part Statements of the

pice champer prosted

## **NEWS:** WORLD TRADE

# LG and Veba plan silicone venture US meets WORLD TRADE NEWS DIGEST

By John Burton in Seoul

Huls, the chemicals unit of Germany's Veba group, and South Korea's LG Chemical yesterday signed a letter of Intent to establish a 50:50 joint venture for the production and marketing of sllicones in Asia and

construction of a silicone

complement Hüls' existing facility in eastern

The joint venture would give Hüls a secure footbold in the Asian market, which it hopes will provide 20 per cent of group sales by 2002. Huls' agreement with LG comes as Dow Chemical, the world's leading producer in LG estimated total the \$7bn global silicones Investments in the joint market, has been examining venture could amount to sites in South Korea, China nearly \$800m, including the and Malaysia for a \$1bn

"Hüls chose Korea for has relied on imports of of the sector in Asia.

well developed chemicals needs. industry combined with markets such as China," said computer

to Hûls on the deal.

production because it offers silicone for its industrial

Cristoforo Rocco, hranch telecommunications chemicals company. Korea's manager of J. Henry equipment along with its use recent investments in Schroder & Co in Seoul, in the construction and car which served as consultant industries.

LG is concentrating on ustry.

The alliance will also give LG Chemical access to the Silicone has a wide range European market in what is close proximity to major of product applications in the first hig investment in snd the region by a Korean Europe have been dominated by the electronics ind-

The Korean plant will developing its specialty Hüls will contribute its produce 200,000 tonnes of chemicals business as its silicone manufacturing plant silicone, a fifth of total main petrochemicals in Nunchritz, Germany, to global demand, with an operations are expected to the joint venture. It acquired initial sales target of more suffer a fall in earnings due the plant in 1991 from the than \$500m in Asia. Korea to production overcapacity former East German government.

which could lead to the

development of a universal

The overall picture, there-

fore, is one of evolution

rather than revolution with

today's digital standards

forming the basis for the

third generation systems of

Some of the sdvanced

capabilities which will be

available are already on

offer in second geoeration

systems. In the UK, for

example, Orange, the mobile operator, offers the possibil-

ity of conference calls link-

Dual mode phones combin-

ing two or more digital tech-

nologies are appearing on

the market and they may

provide an interim solution

to the creation of UMTS. A

ing more than two people.

standard.

tomorrow.

# terms of gasoline ruling

By Reuters and AP-DJ in Washington

The US Environmental Protection Agency has agreed the final requirements for importing gasoline into the United States, administratton officials said yesterday.

The announcement came one day before a World Trade Organisation deadline.

"This was the first dispute brought before the WTO. We are pleased we were able to meet our compliance deadline within 15 months," a US trade official said.

The WTO found that US rules on conventional gasoline discriminated against non-US refiners, by requiring them to meet a different standard for gasoline quality than domestic refiners.

Under the Clean Air Act, the EPA required each US refiner to sell gasoline that was as clean as or cleaner tban the gasoline lt produced in 1990. But foreign refiners had to ship gasoline that was as clean as or cleaner than the average for US refiners in

Under the final rule, a foretgn gasoline refiner could petition the EPA for an individual haseline for minimum clean air standards reflecting the volume and quality of gasoline shipped to the US in 1990.

Venezuela and Brazil complained to the WTO, which ruled in their favour, prompting the EPA to rule that each foreign refiner has the option of seeking an individual baseline, linked to the quality and quantity of gasoline they sent to the

US in 1990. Foreign refiners that dn not apply for an individual baseline will continue to have to meet a quality standard hased on the average of US refiners'

# Poultry war heads to WTO

The European Union lodged a complaint against the US with the World Trade Organisation over US poultry import restrictions. The EU and the US are now obliged to hold talks among themselves during the next 60 days and try to resolve the problem.

The US and the EU have already gone through tit-fortat actions that have effectively restricted trade in poultry across the Atlantic. The EU has blocked poultry imports from the US on grounds that processes using chlorine to kill bacteria in chicken carcasses was unacceptable. The US in turn has blocked imports of European poultry and poultry products, also on health grounds.

Earlier this year, EU and US negotiators had reached an agreement to recognise each other's veterinary standards for meat, meat products including pet food, dairy products and eggs. But the two sides could not agree on standards relating to poultry and poultry products. AP-DJ, Geneva

■ CAR IMPORTS

### Japan defends its record

Japan is living up to its 1995 agreement with the US on expanding foreign access to its car market, an official of the Ministry of International Trade and Industry said yes-

The official said the agreement, in which the US and Japan said they would work to create more opportunities for foreign suppliers of cars and car parts and resolve problems hindering access, did not include numerical targets for progress.

Japan'a Nikkei News service reported yesterday that Charlene Barshefsky, US trade representative and William Daley, commerce secretary, had sent a letter to Makoto Koga, the Japanese transport minister, expressing their concerns. The US has complained that Japan has deregulated only a limited number of after-market car parts, and requested that Tokyo step up efforts ahead of a follow-up meeting in October.

AZERBAIJAN MINING

### US groups in gold venture

A consortium of US companies signed an estimated \$500m joint venture agreement with Azerbaijan to explore and develop nine gold deposits, an Azerbaijani official told the Interfax news agency.

Mirgamid Mamedov, head of the state gold mining com-

pany Azergyzyl, said Azerbaijan would own 51 per cent of the joint venture. The consortium, RV Investment Group Services, will

own 49 per cent of the joint venture and fully finance the project. The 25-year contract must be ratified by the Azerbajjani parliament before it goes into effect. Mr Mamedov said geological exploration of the gold

lodes could begin as early as the end of the year. The nine deposits are thought to hold 400 tons of gold. 2,500 tons of silver and 15 million tons of copper. Mr Mamedov said Azerbaijan stood to receive 80 per cent of the revenues from the metals mined. AP-DJ, Moscow

# Cellphones: you ain't seen nothin' yet

Alan Cane on how manufacturers are preparing for the mobile phone of tomorrow

oday's cellular phones surface of what is possible in mobile communica- Telephone Services. It is tions. The ability to hold a important to understand conversation - virtually the that UMTS is not a standard sole function of current cell- in its own right but more a phones - will be only one wish list of what such a feature of the phones of standard should contain tomorrow.

the late stages of development, they will be able to provide services more usually associated with the television, the music centre and the computer. So expect to see phones

size and clarity to he able to standard with more than watch full length movies, listen to high fidelity music, tries. order the groceries, and connect to the internet. To provide these services. phone operators who are

will have to be capable of would face only minimal receiving and sending much costs in upgrading their netmore information than is works for high bandwidth possible at present - in tech- operation. nical terms, they will have to be capable of handling impending battle between bigh bandwidth transmis- GSM and CDMA (Code Divi-

sions. major European telecommu parts of the US and Asia. nications manufacturers -Ericsson of Sweden, Nokia of comm, a US group, offers, in many and Alcatel of France performance to GSM with standard technology for

The mobile phone industry merely scratch the describes this technology as "UMTS" - Universal Mobile "third generation mobile Using technologies now in telephony" might be a better

What the four European manufacturers are saying is that the core - the essential technology - of a UMTS standard should look like GSM, the existing de facto with scraens of sufficient second generation world 49m subscribers in 130 coun-

This would have the obvious advantage that mobile however, portable phones alraady committed to GSM Much has been made of an

sion Multiple Access), an 1982 and has an extensive This is the chief signifi- alternative second generacance behind last week's tion world standard which which are absent in CDMA announcement that four has found favour in some

CDMA, developed by Qual- US cities.



which are reassembled on potential to improve capacity but lacks global stan-

In practice GSM has been established in Europe since set of customer features systems. GSM has more than 400,000 customers in over 300

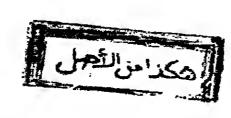
US manufacturers are con-Finland. Siemens of Ger- theory at any rate, superior vinced that there will not be a single world standard for are uniting to promote a perhaps twice the capacity. the foreseeable future and It works by splitting a are refusing to put all their each with its own address mobile basket.

US groups, therefore, such

combination of GSM and DECT, the European stanreception. It offers great as Lucent Technologies, the dard for cordless phones is world's largest telecoms one example. Such a phone links by radio to a base stamanufacturer, are developing UMTS systems based on tion connected to the fixed both GSM and CDMA. network in the bome but is Lucent, in fact, parent of Beli Labs, the world's most prestigious telecoms research centres, carries out turers, however, is to decide Swindon in the UK.

its GSM-UMTS research at when a particular technol-It is expected that the two own: Nokia's success, for systems will exist side-hy- example, is tied to Europe's side. in a far-sighted move. success with GSM. The however. Qualcomm and investment required to Vodafone, the largest UK develop a new technology is mobile operator, are attempt- buge: for that reason alone, these next generation voice signal into fragments technology eggs in one ing to marry the two US manufacturers are backsystems in an experiment ing all the horses.

switched to the GSM network when the user is out. The gamble for manufacogy is about to come into its



companies.

chips" - Hong Kong companies

controlled by mainland govern-

tipped for promotion, having over-

Mr Dai, who also has the support

ment agencies or industries.

By John Bidding in Hong Kong

iday August.

100 miles

1.11.12

- C . C . C .

\*\* \*\* # ###

trjet di

72

omeni

Hong Kons

ari kirake balata

With Court of the Court of the

COS MICHIES & THE PARK

The Parish Street Control

TO THE REAL PROPERTY.

Sid Williams

er Electric 

1 1 State

e err Conf. or September 1

ت قد منابع

S. E. C. S. D. C. C. C.

Zhu Xiaohua, chairman of China nese conglomerate, has emerged as a candidate to succeed Dai Xian-

Business associates and official sources in China said Mr Zhu had secured backing to take up leadership of the central bank as part of a wide-ranging reshuffle of senior posts after the 15th party congress, expected to start next month.

Mr Dai is a candidate for mayor of Shanghai, a move which would in a rapid ascent and a return to

set up

in Tokyo

ence in the Japanese market

as the country prepares for a

deregulation.

kers hy 30 per cent.

The decline is likely to

continue, as the govern-

ment's plan to abolish fixed

commissions on securities

transactions in the next two

years is expected to hasten the growing number of fail-

ures and mergers in the sec-

tor. Last week Ogawa Secu-

rities, a small Osaka-based

group, became the first bro-

kerage to close in Japan for

17 years, with some Y2hn

financial sector - not least

hy smaller hrokers have been exacerbated as foreign groups steadily win more

hined market share of 27.4

Exchange, about 10 percentage points higher than a

This share was partly

boosted hy scandals at Nomura, the largest of

Japan's hig four brokers,

which prompted many cli-

market share.

(\$17m) worth of debts. The stark contrast in the ontlooks between foreign

Mr Zhn is a protege of Zhu Rongji, China's vice-premier in charge of the economy and the frontrunner to succeed Li Peng as premier after the party congress.

"If Zhu Rongji becomes premier, Zhu Xiaohua would be the natural choice for central bank governor," sald an official in the Shanghai financial services sector. But other candidates remain in the running. The appointment of Mr Zhu Xiaohua to bead the People's Bank of China would mark the latest step

the central bank where he served

While at the central hank, he assisted Mr Zhu Rongji in launching foreign exchange reforms and helped monitor the performance of China's commercial banks.

Since his move last year to China Everbright, which is ultimately controlled by the State Council, or cabinet. Mr Zhu has transformed the company from a lacklustre and accident-prone investment vehicle into one of China's most dynamic

A series of acquisitions hy the group's three Hong Kong-listed

rapid expansion, culminating in pant inflation and maintaining a the announcement in May that stable rate of growth. China Everbright was to buy an 8

Xu Kuangdi, Shanghai'a mayor per cent stake in Hongkong Tele- since 1995, has earned a mixed repcom, one of the territory's higgest utation in the city. While some are suggesting he may rise to take over That deal and other acquisitions as Shanghai's party secretary, the have confirmed China Everbright's most powerful post in the city, othstatus as a strategic investor and ers suggest he may be moved to a one of the most influential "red more marginal role in Beijing.

Separately, it has emerged that Wn Yi, minister of foreign trade and economic co-operation, and the highest-ranking woman in the govof Mr Zhu Rongji, has been widely ernment, is likely to become China's next foreign minister, succeed-

tional reforms, as the prov-

devolved to the central and

The polls are important as

a test of public backing for

the ruling Nationalist party. which has lost much of its

traditional grassroots sup-

port during a government

campaign against gangsters

and corruption. Historically,

the gangs are linked to pow-

erful families and local

groups. Despite the much

publicised anti-crime drive.

the Nationalists suffer from

The leading opposition

Democratic Progressive

party (DPP) now controls the

biggest and most important

counties in Taiwan, compris-

ing more than half the coun-

try's population, though not

a majority of the 21 counties.

Under the slogan "Give Us

an image problem.

county administrations.

powers will be

### ASIA-PACIFIC NEWS DIGEST

# IMF to back \$4bn Thai loan

The International Monetary Fund was due to approve a \$4bn etandhy loan for Thailand late yesterday, a move that will activate an emergency \$16.7bn package of international loans for the south-east Asian country.

Immediately after the IMF approval for the credit and accompanying structural adjustment programme for the Thai economy, the Bank for International Settlements (BIS) will make a statement regarding its expected bridge loan to Thailand, BIS officials said.

Thai officials say they are seeking \$3.3bn from the BIS. an institution owned by the world's leading central banks, which have so far been largely absent from the

IMF and Pan-Asian Thai bailout package. The bailout will be the biggest international financial rescue package organised since the IMF, the US and the BIS put together a \$50bn package for Mexico in the aftermath of that country's peso devaluation in late 1994

Thailand has agreed to strict conditions to have access to the funds, which will be used to shore up foreign reserves, cover a potential balance of payments shortfall and belp restructure the financial system.

These include a pledge to end the policy of providing unlimited liquidity support to struggling financial institutions, which has already cost the central bank \$16bn, and blanket guarantees to depositors and creditors of failed financial institutions, which could cost the central bank up to \$31bn. Ted Bardacke, Bangkok

#### SURGE IN EXPORTS

### Korea GDP growth at 6.3%

South Korea posted strong growth of gross domestic product in the second quarter, at 6.3 per cent, because of a surge in exports. With growth in the first half reaching 5.9 per cent, the central bank predicted 1997 growth could exceed its 6 per cent target. Exports grew 19.9 per cent in the first half because of a weak currency. But the improvement masked a sluggish domestic economy as industrial investments shrank 0.6 per cent and domestic consumption grew 4.6 per cent from a year ago.

The near-collapse of the Kia car group in July may postpone expected recovery in the second half, as a lack of confidence in the economy could continue to discourage private consumption and investment. Worries about Kia's fate and possible downgrade of international credit ratings for Korean banks in response to a string of company bankruntcies led to a recent rise in corporate bonds rates. Yesterday, the benchmark three-year corporate bond yield closed at 12.33 per cent. The won closed at 899.2 to the US dollar.

#### ■ ELECTRONICS BOOST

### Singapore exports improve

Singapore yesterday announced a better than expected rise in non-oil exports for July, in a sign demand is rising for the high-technology electronics the city state makes. The Trade Development Board said nominal growth in July was 6.9 per cent to S\$7.78hn (\$5.2hn) over the same month a year ago. in June, exports rose 8.8 per cent. About 70 per cent of ooo-oil exports are electronics, for some of which global demand seems to be picking up, including semiconductors, disc drives and printed circuit boards. Computer and computer peripherals exports were James Kynge, Kuala Lumpur

### by China's leadership to develop- as deputy governor between 1993 ing the city as a financial centre. and 1996.

and James Harding in Shanghai

Everbright, the fast-growing Chiglong as governor of the People's

Foreigners | Public outrage over kidnap and murder leads to reshuffle of cabinet

# Taiwan premier likely to resign

By Laura Tyson in Taipei

Llen Chan, Taiwan'a premier, is to step down

an unsolved kidnap and

Bang' today, paving the way for a cabinet reshuffle at the end of this month. The new gov-By Gillian Tett and ernment will be charged with leading the country Gwen Robinson in Tokyo through key local elections in December and trying to Foreign securities houses increased their staff in improve Taiwan's relations Tokyo by 11 per cent to 6,900 with China, virtually frozen in the year to June, providfor more than two years. ing one of the most concrete Mr Lien, whose resignation was decided in May folsigns of their growing preslowing public outrage over

murder case, will keep his largely ceremonial and lowwave of "Big Bang" financial Japanese securitles profile post of vice-president. In spite of a lacklustre groups, by contrast, cut their staff hy 4 per cent to 106,900 showing in public opinion over the same period, polls, Mr Lien remains leadaccording to data from ing contender to become the ruling Nationalist party's Japan's Securities Dealers' presidential candidate in Association, The reduction elections for the year 2000. continues a downward trend He enjoya the backing of now running into its fifth year, which bas reduced President Lee Teng-bui, who doubles as party chairman employees at Japanese broand who, under the constitu-

> test another term. The ruling party will endorse Mr Lien's expected successor, Vincent Siew, and the new cahinet during its party congress starting at the weekend.

tion, is not allowed to con-

The new cabinet is to be formed immediately thereafter in time for the autumn eession of the Legislative Yuan (parliament).

Lien Chan in happier times and the leading Taiwanese actress Pai Ping-ping (left in inset) with her daughter Pai Hsiao-yen whose kidnap and murder led to public outrage

represented a consolidation of the government's policies. with no new big political ini-

tiatives as a result. Ties with China are at a standstill until at least the end of this year as both sides are preoccupied with other matters: Beijing with its own communist party congress in October and the Clintoo-Jiang summit to follow, and Taipel with the December 18 polls for county leaders

pleasure, with President Lee Political analysts said fordue to leave on a four-coun- of day-to-day running of the

mation of the new cabinet try tour of Latin America on September 4.

The social order issues that prompted huge public demonstrations demands for Mr Lien's resignation in May have abated, aided hy a police raid this week which netted one of the suspects in the April kidnapping of a Taiwanese actress's teenage daughter.

After the cahinet changes the president's position will hecome stronger while the premier's will be reduced to that of administrator of the Taipel's foreign relations president's policies. drive is set to remain on track in spite of Chinese dis-Previously, the premier was theoretically in charge

government. A lack of checks and balances on the president has aroused some concern as he is not accountable to the Legislative Yuan, as the premier was before constitutional revisions

unveiled last month.

Under the reforms, the premier can be replaced by the president twice a year. Analysts snggest that Mr Siew, well liked hut widely regarded as a technocrat rather than a politician of vision, would probably be a cabinet caretaker for the next six months.

Campaigning has hegun for the county elections, which take on heightened

a Chance", the DPP is trying to project a moderate, pragmatic and flexible image to voters, an approach made more appealing by the fact that DPP policies are hardly distinguishable from those of the ruling party. In just a few years the

DPP has shifted from being a radical party that called for outright independence from China to one which mutes its independence agenda in favour of issues nearer the hearts of voters; good government, a cleaner environment and education reform.

# and domestic securities houses highlights the shifting picture in the Japanese. Hong Kong election rule changes assailed

introduction of democracy.

Michsel Suen, secretary

for constitutional affairs.

said the Basic Law, the post-

colonial constitution, upheld

universal suffrage as the

ultimate goal. Hong Kong

people would he able to

fessional associations.

next year's polls.

1995 legislative elections.

But the electorate will be

reduced to about 180,000 in

The 20 directly elected

proportional representation

rather than the "first past

Japan snubs China on

in June, Japan's largest 20 By John Ridding foreign brokers had a com-

per cent of the Tokyo Stock | The Hong Kong government yesterday presented new election rules to the post-colonial legislature amid condemnation from pro-democracy forces that they will curtail democracy in next year's legislative elections. "The majority of the seats

The government rejects

election rules are consistent

with China's constitution for

ents to cut business ties with in the Legislative Council will he dominsted by the rich and the powerful and Foreign securities groups have benefited from the the pro-communists, so this shift, which is also partly system is freudulent and undemocratic," said Emily Lau, leader of The Frontier. driven hy growing interest among Japanese investors in new and more sophisticated With other pro-democracy politicians, Ms Lau was financial services and prod-

ousted from the Legislative In expectations of strong Council when it was replaced by a Beijing backed body at last month's transfer growth in business, most foreign securities houses are seeking to boost staff levels, of sovereignty. particularly with skilled Japthe criticism, saying the seats will be contested under

Richard Metcalfe, chief operating officer at ING Bar-ing Securities in Tokyo, sees the trend generating a recruitmant frenzy which could almost be likened to a gama of musical chairs

between leading brokers.
"It's getting easier to hire qualified Japanese staff from leading Japanese brokers, partly because of recent scandals and partly due to Big Bang reforms - although the scandals are largely due to Big Bang. But we're also losing people to other foreign securities bouses, in an explosion of poaching and head-himting." he said.

Next year, ING Barings plans to expand its current staff levels from 270 to at least 350. In information technology alone, staff will nearly double from the present 25. The group is capitalising on ING's worldwide banking network to expanding Japan operations into areas including emerging market products.

Many other foreign groups, such as Fidelity, Schroders, Goldman Sachs and Mercury Asset Management, have also been raising staff numbers, particularly in asset management areas. J.P. Morgan, which plans to purchase a seat on tha Tokyo stock axchange this

autumn, is planning to raise

staff numbers from 550 to at

least 800 over the next five

Taiwan defence issue Japan yesterday took an unusually tough stance towards China in a brewing

rity pact would cover possible conflicts In the Taiwan Strait The review of bilateral defence co-operation is due were apparently different for completion next month. and is expected to pave the by the Japanese government way for Japan to provide a so far. The Taiwan issue is hroad range of logistical and China's domestic issua, and non-combatant support to

diplomatic row over remarks

hy a Tokyo official that a

regional emergencies. China has repeatedly region covered under the guidelines, which are expected to define regional emer-

surrounding Japan". Seiroku Kajiyama, chief cahinat secretary, said on Sunday that the geographi-

defence co-operation would cials hagan drafting new naturally cover the Taiwan Strait. He added that Japan should support the US in tha case of an emergency over

In response, China'a vice review of the US-Japan secuforeign minister, Tang Jiaxuan, described Mr Kajlyama's remarks as "indecent and strange" and demanded clarification. "The remarks from the explanation given wa will never allow any US military forces in country to interfere in it," he said on Tuesday.

Japan has displayed great warned the two countries delicacy in its relations with not to include Taiwan as a China, particularly with regard to security issues. which are weighted by frequent references among Chi- guidelines will not define gencies as those "in areas nese scholars and government backed groups to Japanese atrocities during ify a geographical limit, hut

the second world war. Since aarly this year, the possible situations which cal acope of Japan-US when Japanese and US offi- could arise," he said.

nated by pro-China husiness groups. The government has signalled the vote will take place in May. The Democratic party, which emerged from those elections as the biggest in

election committee domi-

decide, in a review, whether all 60 seats in the legislature would he directly elected the legislature, hut which boycotted the present proviafter the year 2007, hs added. Under the new rules, the sional legislature, said the new rules marked a roll-back electorate will be sharply reduced for the 30 seats in democracy. "This arrange elected by functional constitment is designed for those Mr Tung wants to see elected," said Lee Wing Tat, uencies, or business and proa former legislator, referring Chris Patten, the last British governor, had broadened to Tung Chee Hwa, the territhe franchise for functional tory's post-colonial leader. constituencies to 2.7m in the

The party argues it will replacement of 20 geographical single seat constituencies by five constituencies with four seats to be contested under proportional represensmaller pro-Beijing parties, post-colonial Hong Kong and the post" system used in the said a party official.
its plans for the gradual 1995 vote. The remaining 10 Editorial Comment, Page 9

guidelines for hilataral

defence co-operation, China

has stepped up warnings

that any change in Japan's

pacifist defence stance

would be seen as a revival of

militarism. Even Japanese

defence officials admit the

revised guidelines will give

Japan its most active inter-

national military role since

Yesterday, however, there

were no apologies or sooth-

ing words for Beijing from

Tokyo. Japan's deputy chief

cabinet sacretary, Kaoru

Yosano, defended Mr Kaji-

yama and said his remarks

were "based on the Japanese

government's view of the

the new hilateral defence

areas surrounding Japan.

"Tha revision will not spec-

is rather about the nature of

Mr Yosano reiterated that

the second world war.

# International financial Application FINANCIAL TIMES news from INFORMATION

# European & Asian perspectives.



If you need to know what's moving UK, European and Asian markets, you need AFX NEWS, the real-time English language newswires that give the latest international financial and corporate news. With the resources of owners and partners, FINANCIAL TIMES INFORMATION and Agence France-Presse to draw on, you know AFX NEWS will always be relevant, reliable and right. And it's available to you on-line through all

major market data platforms,

deliverable across your intranet, extranet or other network to your PC, NC or workstation through Windows, browsers and proprietary applications. AFX NEWS has reporters across Europe and Asia and in other key markets feeding over 1500 news stories a day direct to your system. So, for independent and succinct reporting on economic, corporate and market news, contact AFX NEWS direct or your local vendor today.

FOCUS ON INTERNATIONAL FINANCIAL NEWS A JOINT-VENTURE OF FINANCIAL TIMES INFORMATION AND AGENCE FRANCE-PRESSE

AFX NEWS 13-17 EPWORTH STREET, LONDON EC2A 4DL (44) 171 253 2532 FAX (44) 171 490 3007 EMAIL: AFX.SALES@FT.COM AND NEW YORK, USA (212) 306 6734

stores

Adidas

potential price war.

than normal.

By Jimmy Burns in London

The UK's higgest super-

market chain and one of the

world's leading sportswear

companies are heading for a

More than 200 Tesco

stores will today start sell-

ing clothes and running

shoes made by German

group Adidas at prices 15

per cent to 50 per cent lower

"We don't think we are

being unsporty. On the con-

trary, we are offering a product that a lot of custom-

ers want at a price they can

afford. That must be good

Adidas last night stopped

short of officially crying

foul but questioned the level

of sales advice and the qual-

ity of the goods on offer at

really do to stop them. But

we do think that having our

products sold between

baked beans and loo rolls is

not the image we want," Adidas said.

Adidas has a policy of sup-plying only selected sports

retailers and has refused

to supply Tesco with its

Tesco said it has circum-

vented this by "perfectly

legal" sourcing from whole-

Tesco yesterday received

support from Nigel Grif-

fiths, the consumer affairs

minister, who believes selec-

tive distribution has been

disadvantaging low-income

"People who have been

most affected by artificially

high prices are people with

the least amount of money

to spend. What Tesco is

doing is good news for the

shopper," Mr Griffiths'

department said last night.

In March Tesco announced

it was offering Levi Jeans at

prices np to £25 (\$41) lower

than those in other stores

after it had purchased

45,000 men's 501's direct

from a wholesaler in

salers in the US.

consumers.

There is nothing we can

sportsmanship," Tesco said.

defy

Jane Broker

1. 铁蜂蟹

والمحتصر عوارا والمسا

~ y-3%

医一点中枢 衛動的

العربية المدينة المانية المدينة المدين

100 mm 10

3 3

100 mg 1

1.0

**一,**读

数 美双

The State of the S

man ha

31.27 Ed

COLUMN TO SERVICE

4. 2.2.3

ton a trivial

S. C. S. C. Section 1

The special of

---

-

\* LONDON

-

- 4

### **NEWS: UK**

# Chevron to quit refining and retailing

By Robert Corzine

About 450 of the company's sion. Gulf service stations in Britain are expected to be sold to Shell UK in a deal built in 1968 and which has that will accelerate the fur- often been rated as one of ther consolidation of the the more efficient in Europe. country's retail petrol market

place a value on the sale. Parts of the Waterston facilwhich will also result in the ity may be sold off sepaclosure of the 115,000-barrel a day Waterston refinery at Milford Haven in Wales.

As part of its retreat from close in October. the downstream sector in Company, a separate refinery unit at Milford Haven.

night confirmed that they hope to complete a deal by the fourth quarter. It will cover the sale of the service stations as well as Gulf's intention to quit the UK

cants business in the UK. Chevron said the intense competition in the refining Chevron, the US oil and marketing industry and company, has withdrawn its relatively small, 4 per from the UK oil refining and cent market share were the petrol marketing sector. main factors behind its deci-

Culf said an attempt to sell the refinery, which was had elicited no response. Europe suffers from chronic Neither company would over-capacity in refining. rately or it may be demolished entirely and the site restored. It is expected to

Last year Gulf tried unsuc-Britain, Chevron is also in cessfully to pool its retail talks with its partner Texaco network in a joint venture to sell its 50 per cent stake in with Elf Aquitaine and the Pembroke Cracking Murco. The proposed alliance was weakened when Murco decided to pull out-Sbell and Chevron last Last May, Elf and Gulf called off the deal after they failed to find a way to make the venture succeed. It was then that Chevron signalled its



# Cut in BAe subcontracting urged

terday in a demonstration in London about the company's plant in Prestwick, central Scotland. The marchers said BAe should have done more to bring work subcontracted

British Aerospace workers in traditional contracted work, we will - so long as we can Scottish dress joined English colleagues yes match the skills required." BAe announced in May that it was to cease production of the Jetstream 41 turbo-propeller aircraft, leaving the Prestwick plant to compete with the company's other centres for work, On Tues-

# to other countries back to Prestwick. The day, the first of 380 workers to lose their jobs company said: "If we can bring back sub- received redundancy notices.

# Electricity regulator yields on prices

By Simon Holberton

Electricity prices are set to fall hetweeo 71; per cent and 10 per cent over the two years from next April under compromise proposals unveiled yesterday by Professor Stephen Littlechild, the electricity regulator.

Prof Littlechild's proposals, which were far less recently as last month, were seen as a victory for the big generators which bad previously been threatened with implicit price controls. There was also a guarded welcome peodent power stations. companies which now Littlechild published much tion, not regulation, can pro-

Monopolies and Mergers

The Electricity Consumers Group said the regulator had been "pragmatic" and had made concessions to ensure deregulation started on time. However it questioned whether price differentials among suppliers would now be large enough to encourstrict than he predicted as age consumers to change supplier.

The price reductions will come mainly from the end-ing of subsidies to the coal industry and to certain inde-

lenge the proposals at the suggested customers could see prices fall by as much as £30 (\$49) per customer in the first year of the competitive market. Falls in prices would come largely from lower electricity prices from the big generators. Yester-

day's proposals will lead to

cuts to customers of between

£15 and £25.

Yesterday he sald that price controls needed to balance the long-term and short-term interest of customers. But the controls "should not seek to do the job of competition or discourage its development". in early July, when Prof He added: "Only competi-

appear less likely to chal- tougher proposals, he duce the best levels of price referral appeared to recede that be offered by efficient companies seeking to meet the needs of customers." Prof Littlechild has faced a

concerted attack from the electricity industry since the publication of the July report. Many companies told him that unless he backed down, he faced the prospect of being taken to the MMC.

The industry claimed his proposals required them to lose money. Generators also joined the chorus of complaint, and some potential new entrants sought clarification from the regulator about his plans to cap electricity prices. The prospect of an MMC

ers said Prof Littlechild had modified his earlier proposals sufficiently to forestall an industry revolt. Prof Littlechild went out

yesterday. Industry observ-

of his way to repudiate any suggestion that he sought to regulate the generators through the price control on regional supply companies; "One can't regulate generatioo through the back door." In London, National Power's share price closed 23 pence up at 5381/2p and PowerGen closed 35p up

Editorial comment, Page 9 Lex. Page 10 Mexico.

### **Cut-price** UK NEWS DIGEST

# Higher fee for Lloyd's Names

Lloyd's of London is to demand higher contributions from Names to its central fund of last resort. Next year, all Names - the individuals whose assets have traditionally backed Lloyd's – will be charged a fee totalling 1 per cent of the overall business they can write compared with 0.6 per cent at present.

For the average Name, this amounts to an increase of about £1,993 (\$3,250). The amount corporate investors are required to pay will remain unchanged at 1.5 per cent. This is the first time for several years that Lloyd's has changed the central fund contributions. The Association of Lloyd's Members, which represents several thousand Names, said it was unhappy to see the increase but accepted the need to bring the levels closer together. Lloyd's said Names and corporates will pay tha same amount by 2000. Christopher Adoms London

■ RETAIL SALES GROWTH

### Treasury shrugs off 'boom' fears

The Treasury shrugged off fears of a 1980s-style consumer boom yesterday despita official figures showing that spending in the shops is growing at its fastest rate for

The volume of retail sales last month was 6.5 per cent up on a year earlier, according to the Office for National Statistics. But Geoffrey Robinson, the paymaster general, said the growth rate was "entirely expected" as consum-ers spent part of the windfalls they had received from public offerings by building societies [mutually owned savings and loans institutions).

Meanwhile, the Bank of England, the UK central bank, published figures showing that the money supply measure M4 – cash plus bank and building society accounts rose by 11.8 per cent in the year to July, the biggest rise since 1990. Robert Choic and Richard Adams, London

#### **■ COMMON AGRICULTURAL POLICY** 'Green pound' revalued again

Farmers stepped up demands for compensation for the effect of sterling's strength on farm incomes yesterday, when the fourth revaluation of the green pound this year was triggered.

The green pound - the rate at which EU agricultural payments and prices are translated from Ecu into sterling was revalued by 3.5 per cent at midnight last night, . from 72.0829 pence to 69.5735 pence to the Ecu. Sir David Naish, president of the National Farmers' Union, said the appreciation in sterling had cut the UK's agricultural ontput in 1997 by £1.8bn (\$2.9bn) a fall of over 10 per cent on

■ WORKPLACE HEALTH

### Call for upper temperature limit

As Britain swelters through one of the hottest Augusts on record, the Trades Union Congress has called for a legal maximum to be established for workplace temperatures.

Although the health and safety code of practice sets a minimum temperature below which no-one should have to work, there is no equivalent if it gets too hot. The TUC wants a maximum work temperature of 30 deg or 27 deg for peopla doing strenuous work. Andrew Bolger, London

### TECHNOLOGY

### Bruce Dorminey examines recent insights into the microbiology of plants and insects

#### newly cloned viral protein which wreaks havoc on the larvae of A agricultural pests such as armyworms, budworms, bollworms and caterpillars may soon be inserted genetically into bugladeo vegetable plants such as cauliflower and cabbage.

The protein, enhancin, unleashes a digestive nightmare on the insects' intestinal walls soon after its ingestion, leaving the next generation of bugs stunted and unable to complete their lifecycles. With \$400,000 (£245,000) in

grants from the US Department of Agriculture, Robert Granados. a virologist at the Boyce Thompson Institute for Plant Research at New York's Cornell University, has speot the past 10 years working on the enhancin project. Enhancin is an enzyme found

in some baculoviruses - rod-

shaped viruses that are highly specific to insect pests. Dr Granados and his colleagues recently found that the protein worked against the intestinal immune systems of cabbage looper larvae. By binding to and then destroying an important mucinous (or sticky, gel-like)

protein of the insect's intestinal structure, the enhancin molecules make the larvae more vulnerable to attack by baculoviruses. Yet these viruses pose no threat to humans, other mammals or the environment.

"We're trying to find a way to genetically improve these baculoviruses so that they kill

# Protein power protects crops



in helping them to be more

In the future, farmers using viral insecticides could find themselves spraying crystals containing both enhancin and a

"Enhancin is one approach by-products of the baculoviruses, serve as protective casings for the virus to sustain itself in the

environment over long periods. A caterpillar, for example, might come upon a crystal lying on top of a portion of a plant leaf pest-specific baculovirus. These and then ingest it. The crystal crystals, which are also genetic would dissolve in the insect's

intestines, releasing the potent combination of enhancin and baculovirus simultaneously. In forests, enhancin could be

sprayed with a genetically engineered baculovirus to target pests of oak and maple hardwood trees, such as the gypsy moth counter dixie moth larvae. Several agricultural biotechnology companies are

trees, such as the white pine, to

interested m enhancin, primarily for use in genetically altered plants. But the institute retains four enhancin-related patents (with a fifth pending), as well as all rights on licensing the technology.
While field trials remain some

three to four years away, the Cornell researchers believe that the protein may also be bred into the leaves of cash crops like cotton, corn and tobacco. Meanwhile, they are looking for enhancins in other baculoviral species, along with susceptible immune systems in other leaf-munching insects.

"Genetically altered plants bred with the enhancin protein will not kill larvae outright unless they have also been sprayed with a baculoviral contaminant," says Dr Granados. "But It remains more economical in the long run to breed transgenic plants without also spraying them with the virus. Enhancin coupled with the virus will kill insects up to 12 hours faster [than if they were exposed to the virus alone]."

The technology could provide a useful extension to the insecticidal toxin from bacillus thuringiensis (Bt) bacteria, which is the main weapon of agricultural biotechnology today. An estimated 10m acres of crops - mainly cotton in the US - were genetically engineered this year to produce Bt in their leaves.

### Worth Watching · Vanessa Houlder



### Heat treatment for poisonous waste

Scientists in Israel have developed a method of treating toxic waste that totally converts toxic materials into inert, glassy substances.

The technique involves heating an electrically charged gas or "plasma" to a temperature of 20,000°C. It also uses a gas detoxifier which bsorbs and "cleans" the gases enabling them to be recycled.

The high temperature and pressure is used to operate electricity-generating turbines. The precise temperature and time needed to incinerate the waste is calculated using software that contains a library of all known toxic materials. The equipment, developed by Plasma Advanced Technologie

can be moved around. Plasma Advanced Technologies: Israel: tel 97654077; fax 97650094.

### Dots represent a quantum leap

The "quantum dot" – a tiny structure which traps electron may be the basis of a eneration of smaller, faster computers in 20 years. A chip made of quantum dots could contain as many as

40,000bn devices, compared with 6m devices in the most advanced chip available today. Scientists at the University of Notre Dame, Indiana, in the US have, for the first time. monstrated a cell made of quantum dots. They made a cell composed of four metal dots, connected with tunnel functions, which operates at

close to absolute zero. The experiment, described in Science journal, was the first demonstration of a single electron controlling the position of another electron. The scientists now want to

develop the technology so that temperature.

University of Notre Dame: US. tel 2196314148; http:// www.nd.edul

### Turbulence is no ionger such a drag

Making sense of the turbulence that occurs when a gas or liquid flows near a surface is

notoriously difficult. But researchers from Orlev Scientific in Israel and Brown University in the US have developed a technique to reduce turbulent drag, says a report in today's Nature.

They found that covering a

surface with a random pattern of v-shaped bumps can reduce drag by as much as 12 per cent. Regular arrays of the bumps, hy contrast, were found to increase drag. This effect is due to the protrusions interacting with the eddles close to tha wall and influencing the rate at which energy is dissipated in the turbulent flow. The technique might find certain specialist applications,

such as high-speed sailing vachts. Laurence Strovich: US,

2122413948;

chico@camelot.mssm.edu .

#### **Buckyballs fight** the free radicals Buckyballs - the

football-shaped molecules made from 60 carbon atoms – might lessen the after effects of strokes, head trauma and spinal cord injury, say scientists at Washing University School of Medicine The unusual hollow structure

of buckyballs, or buckminsterfullerenes, means they can mop up large quantities of highly reactive chemicals called free radicals. Buckyballs, modified to make

them water soluble, were found to shield mice neurons during harmful treatments known to increase the production of free radicals. They also blocked the disintegration of nerve cells deprived of oxygen and glucose, the initial event in a stroke, according to a report this week in the Proceedings of the National Academy of Sciences.

Washington University School of Medicine: US, tel 3142860119; http://medinfo.wustl.edu/

# The botanical internet

"I hloroplasts, the small gene for a jellyfish protein that each other. But it now seems green plant bodies which makes the chloroplasts glow likely that chloroplasts are also green plant bodies which are at the heart of both photosynthesis and many a grass stain, have haen found to exchange molecules in a form of crude communication. Using newly discovered tubules as a kind of botanical internet, such molecular give-and-take may help regulate the pricess hy which energy is harvested from light.

The discovery came accidentally after a research team led by Maureen Hanson, a plant molecular hlologist and geneticist at Cornell University in New York. set ont to find a way to make chloroplasts more visible.

Using Cornell's patented two-

green under fluorescent light to tobacco, petunia and a fast-growing weed called arabidonsis.

In the process, the finorescent protein inadvertently illuminated the long, thin tubules.

The team sent laser pulses of low-energy photons into one of two tuhule-connected chlnroplasts. This stopped tt glowing. A few seconds later the photonbleached chloroplast was glowing again, signalling that some of the fluorescent protein from the unbleached chloroplast had been transferred to the hleached

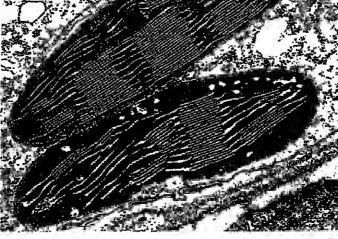
Previously, scientists thought chloroplasts were free agents, millions of years ago. photon excitation laser scanning receiving molecules from the cell

likely that chloroplasts are also exchanging proteins and other molecules among themselves. There might even be specialised signal molecules co-ordinating chloroplast activities.

"Now we knnw that chloroplasts might be sending snbstrates (or products of photosynthesis) to each other, which may enhance photosynthetic efficiency," says Dr Hanson. "Bnt more studies are needed

to understand how important the tubules are in photosynthesis." Chloroplasts are thought to have descended from photosynthetic bacteria that took up residence in plant cells hundreds of

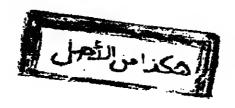
Dr Hanson speculates that, in microscope, the group added the cytoplasm, but not directly from common with their bacterial more research is needed before



swapping genes that could direct can be developed. their own self-replication. Bnt

ancestors, they might also he theories about their behaviour

BD



# Dance of fear loses its way

David Lynch's Lost Highdeath, doppelgangers and off screen, tells of a genius looking for something to say.

When a visionary runs out of visions, he either stops working or pushes out the same old visions under a new label. The new film from the director of Eraserhead and Blue Velvet has a mesmerising first half hour, reintroducing us to a large-screen Lynchworld dormant now for five years, since his disappointing Twin Peaks featurisation, Fire Walk With Me.

> LOST HIGHWAY David Lynch

ALBINO ALLIGATOR Kevin Spacey

> JUMP THE GUN Les Blair

**EVENT HORIZON** Paul Anderson

PLEIN SOLEIL René Clement

In an angular, sparsely-furnished house pullulating with shadows, Bill Pullman and Patricia Arquette perform a dance of fear. A sequence of mystery videotapes has arrived on their doorstep, apparently shot by a prowler outside and inside their home. At a party they meet a spectral, sweetly-spoken man (Robert Blake) who says that he the spectral man - is at their house right now. A phone call seems to prove that he is; the couple dash back home; nothing, Next day, another video arrives. On it, a murder, in the house, at the same screaming moment, a mur-

We are bathed in fear. But unbelievahly, Lynch then lets the plug out: the whole plot is allowed to gurgle away in the cause of some greater mystical intricacy as a hurried-to-jail Pulman, suspected of slaughter, is mysteriouslyus) youth played by Balthazar Getty. Getty then takes over the movie, paroled to spearhead a new funny/sinister/pointless story about himself, a - mobster (Robert Loggia) and his faithless moll (Arquette again, swapping Vampira look for Veronica Lake).

Since Getty resembles a runner up in a Charlie Sheen lookalike contest and ... acts with commensurate charisma, we feel not so much let down and sold down the Styx. Lynch and co-writer Barry Gifford (of Wild At Heart) belatedly shuffle Blake and Pullman back Turbulences into the plot. But by then life-or-death

in has been traded in for déjà vu Lynch party tricks involving characters we neither believe in nor care about.

Lynch is a major film-maker who may, sadly, have no major film left in him. His loyalists are busy even now reading greatness into Lost Highway. talking of Einsteinian curves and Euclidian space. Such daliriums seemed plausible with Blue Velvet where the floor fell away under the filmgoer exposing tha near-cosmic infinity of his fears and outlaw desires - and Lost Highway's opening act shows that Lynch can still commune with inspiration: from the sly horror of Blake's ghoul to unnerving camera movements that resemble now a boat on a rocky sea, now a crab scuttling

But when Lost Highway gets lost, it gets truly lost. A road that used to lead to a darkness infinite with suggestion, curiosity and metaphysical mischief now leads to the darkness of an increasingly depopulated imagination.

Lynch still makes every other filmmaker this week seem a journeyman. Albino Alligator is like The Petrified Forest with added pretension. Once again the world of crime crashes sono-rously into the world of human recreation, with a runaway criminal (Matt Dillon) and his gang taking refuge in a saloon bar. Once again there are reverherant perceptions about life, death and almost everything else.

Although writer Christian Forte and actor-turned-director Kevin Spacey have no in situ philosopher, like the earlier film's Leslie Howard, their film is broody, wordy, stagey and long. And in Faye Dunaway it has the only possihle stand in for Bette Davis. See Faye glower! See Faye wipe down a bar counter! Hear the whips cracking in Faye's voice even when it is sotto.

No one can hold a candle to her. So Emmet Walsh (shot too soon) stand or sit around holding glasses, guns and anything else that will occupy their and our attention. For the plot certainly will not. Once the police surround the hullding, it is a tale of siege warfare in which no outside supplies of wit, excitement or human reality are replaced in his cell by an unknown (to 'allowed through to an airless' theatricalism born of David Mamet out of

Robert E. Sherwood. In Jump The Gun British film-maker Les Blair goes to Johannesburg. The director of the comely Hampstead comedy Bad Behaviour applies his improvisational techniques to a tale of postapartheid South African life. Like his mentor Mike Leigh, Blair asks questions first and shoots later: he uses his cast's contributions and rehearsal adlibbings to co-create the script.

This may explain why there is no script, seemingly. In Jump The Gun there is just a collection of binary char-



Dillon, Gary Sinise and the talented M. Patricia Arquette in 'Lost Highway' by David Lynch - a visionary filmmaker in search of a vision

singer Gugu (Baby Cele) does, since the felsty girl negotiates an urban jungle of Event Horizon is worse hut fun. This white and black predators with non- is a story conference in search of a shore leave, definitely doesn't, since he boasts a Viva Zapata moustache, a love of guns and a vocahulary that includes the phrase "jungle bunnies".

And characters we thought were walking clichés - the hlack crime boss, the tart with a heart - end up as lyingdown clichés, as love, sex and pillow companionship work to cleanse the world of prejudice. There are a few moments of moody wit and wry local colour. Johanneshurg in the rain can

acters wearing plus or minus signs a film as one-dimensional in its right- crew member - Fishhdrne, Joely Richaccording to whether they do or not on-ness as the cinema of racism used to ardson and other pedigree players float have Political Correctness. Black be in its higotry. Mandingo goes Mand-

Event Horizon is worse hut fun. This able. discriminating resourcefulness. Clint movie. "We're thinking of doing Hell-(Lionel Newton), a white oil worker on ruiser in space." "Sounds great. Who'll star?" "Sam Neill, fresh from Jurussic Pork, as the disturbed scientist haunted by interstellar nightmares and Laurence Fishburne as the captain of a Guess what. Each side comes to 2047 A.D. spaceship seeking the wreck understand and influence the other. of a mysteriously aborted Mars mission." "Good. He's hlack, isn't he? We've got to think of crossover."

And so the project hlasts off, boldly going where sci-fi fans will follow with faith if not understanding. While Neill expatiates polysyllabically on dimensional gateways and space-time conbe just like Woking. But mostly this is tinua - "Do you speak English?" asks a

about dodging monsters, corpses and certifiable dialogue. Foolish but eojoy-

Plein Soleil, revived at the National Film Theatre, will give you a better two hours than anything else this week. René Clement's 1960 murder thriller, photographed in wonderfully overripe colours by Henri Decae, is faithful to its source novel. Patricia Highswith's The Talented Mr Ripley, in all respects but the cast's nationality. Alain Delon plays lovable killer "Tom Reepley", Maurice Rooet plays "Philippe" Greenleaf (Dickie in the

book), drowned for his money, and if you do not blink you will be mesmerised by a pretty girl's sileot 10-second walk-on in the first scene. It is Romy Schneider before she hecame Romy

Indeed the whole enterprise has a cheerful hit-and-miss quality: if a gag falls flat the team are already on to the next but three. They make a neat physical contrast, with Reed Martin bold and schmalzy. Austin Ticheoor hairy and sardonic, and Matt Rippy handling the gay stuff. By the time they are

slicing up babies, are solidly hit.

# Edinburgh Fringe Delightful, bad taste, in-your-face

constitute the second largest segment of the Edinburgh Fringe, trends within the field are becoming more noticeable. The renaissance of sketch comedy continues, with companies such as The Cheese Shop (in their show Boof!) and The League Of Gentlemen reaching take-off point this year. The Cheese Shop have been Fringe fixtures for several years, growing in assurance with each successive outing. Their gentle absurdities - the Dorset Territorial Artists' cannon run in the Royal Tournament, a pair of policemen helpfully sub-editing a suicide note now possess a degree of polish altogether more appealing than their plaid suits.

The League Of Gentlemen are an altogether different proposition. One of last year's most impressive discoveries, the quartet (only three of whom appear onstage) tread a darker more unsettling path: a joke-shop owner takes a customer hostsge, a cavern tour guide suffers recurring nightmares, and the magnificently irritating Legs Akimbo theatre in education company disintegrates before our eyes. They employ bad taste not for mere shock value, but with a much more discomfiting air of deliberation, as successive episodes of running sketches grow ever closer to ont-and-out pathos. They are also wickedly funny.

On the stand-up front, Graham Norton has taken on some of the characteristics of his countryman Bono this year, making live phone calls on stage; he dials out for pizza for the audience, and lives in hope of someone ringing np during the show in response to the personal ad he has placed in a gay contact magazine. The prime target of his acerbity, though, is himself; each night he reads an extract from his diary as a 16-year-old prig on an exchange trip to France, mercilessly lampooning his pompous

Scott Capurro seems to alternate themed shows on his Edinburgh visits with straightforward stand-up. This year offers the latter, delivered with a high-speed, in-your-face mastery. However brazenly he attempts to seduce a straight man in the audience, the hapless punter is invariably charmed into accepting his status as, forgive the term, the hutt of Capurro's attentions. Of the younger crop of comics, Adam Bloom gave a remarkable performance on the evening I saw him, ditching a good half of his prepared material and simply free-associating; he was all the more engaging for such spontaneity.

Comedy of a different sort kicked off Flux, the Edinhurgh New Music The Divine Comedy, confirmed as wryly grandiose pop geniuses by this spring's tour with the 30-piece Brunel Ensemble, took matters one step further by performing three concerts with the Electra String Quartet, Hilary Summers and one of Hannon's major musical inspirations, Michael Nyman. Mixing his own material with Nyman's and including a collaborative number (the perversely delightful "Grisly Knife Attack"), Hannon simply played up a storm almost literally, as the packed, sweaty venue threatened to generate its own micro-climate. The experience of hearing a six-piece pop band tackle such Nyman pieces as "Time Lanse" and "Learning The Ropes" was a unique and exhilarating

Ian Shuttleworth

Graham Norton performs at Stella Artois Assembly; other named comedians at Pleasance, Flux continues at the Jaffa Cake. Fringe Society box office: 0131-226 5138.

#### embers of the Reduced Shakespeare Company are in the shrinkage business. Give them a great tome and they will give you e great time, or at least a palatable 90 minutes of the best hits. They first cut Shakespeare

down-to-size, then tackled American history. At the Gielgud Theatre they grapple with the hig one, the Bible. The Bible: The Complete Word of God (abridged) is a pleasantly innocuous evening. The RSC are a trio of clean cut Americans, into motherhood and

apple pie rather than gangsta rap, and this show would hardly raise a bristla

# Theatre/Antony Thorncroft Great time with a great tome

on Dr Paisley's chin. There are the occasional sly one liners - "The Bible - the greatest story ever accepted as fact", and the contrast between the perverse, capricious God of the Old Testament - he leads the Israelites for 40 years in the wilderness and then settles

them on the only spot in the Middle

East with no oil - and the more benign

deity in the New is not over looked.

But a production which climaxes with six couples hauled from the audience to make animal noises for a performance of "Old Macdonald had a their sense of humour.

The saving grace of the RSC is that they do not take their assignment too seriously - if there are no jokes in some Books, they are ignored. The farm" is hardly ahrasive cutting-edge obvious targets, like the Ten Comtheatre, and much play is made with a mandments - Moses slips the Israelites water-gun to douse the audience. This the good news that he got God to halve is play school for nice suburbanites them to ten, and the bad news that who like to be gently flattered about adultery is still one of them; Adam and Eve and fig leaves; and Solomon

tackling the New Testament, the Bible is almost forgotten. This is light hearted, good clean fun, perhaps short on sophistication but long on charm.

Gielgud Theatre, London W1 (0171-494

# INTERNATIONAL

### guckybalb. Such free for BERLIN

CONCERTS Konzerthaus Tel: 49-30-203090 Berlin Symphony Orchestra: conducted by Jih Bélohlávěk in works by Brahms and Dvorák. With violin soloist Viktor Aug 21, 22, 23

### EDINBURGH

OPERA Edinburgh International Festival Tet: 44-131-473 2000 Anadne auf Naxos: by Richard Strauss. This Scottish Opera. production, directed by Martin Duncan and conducted by Richard Armstrong, provides an unusual opportunity to see the opera in the context originally conceived for it as an operatic divertissement, to be performed in a version of Molière's play Le Bourgeois Gentilhomme. The play is performed in English in e translation by Jeremy Sams; at tha Edinburgh Festival Theatre;

#### **EXHIBITIONS** Royal Scottish Academy Tel: 44-171-624 6200 Sir Henry Raeburn (1756-1823): major exhibition of around 70 works by this most famous of Scottish painters, bringing together the works owned by the National Gallery with loans from around the world; Aug 1 to Oct 5, after which the exhibition will

Scottish National Portrait Gallery Tel: 44-131-624 6200 The Face of Denmark: the product of an exchange organised with the museum's Danish counterpart, this exhibition will include works from the period 1750-1840 and portraits of famous Danes including Hans Christian Anderson and

Kierkegaard. In return, Scottish

portraits will travel to Denmark in

### LONDON

the autumn; to Aug 31

travel to London

CONCERTS BBC Proms, Royal Albert Hall Tel: 44-171-589 8212 BBC Philharmonic: in works by Sibelius, Tchalkovsky and Grieg whose Piano Concerto in A minor is played by Leeds Plano Competition winner ilya itin. UK premiere of Old Russian Circus Music by Russian composer Rodion Shchedrin. Conducted by Vassily Sinalsky; Aug 23 London Philharmonic Orchestra: conducted by Sir Charles Mackernas in works by Schubert and Brahms, part of the Proms anniversary celebrations of

#### both composers; Aug 21 Royal Philharmonic Orchestra: conducted by Daniele Gatti in works by Schubert, Beethoven, Mozart and Hindemith. With soprano Amanda Roocroft and pianist Malcolm Martineau; Aug 22

#### LUCERNE International Festival of Music Tel: 41-41-210 3080 CONCERTS

 András Schiff: recital of Schubert piano sonatas; at the Union; Aug 21 Andrés Schiff: Yuuko Shiokawa and Miklos Perényi perform Schubert's Trio In E major for piano, violin and cello; at the Union; Aug 22

Ensemble Musica Mensurata: conducted by Wielfried Staufenbiel in a programme of early and Renaissance music; at

the Union; Aug 22 London Sinfonietta: conducted by Markus Stenz In works by Rihm, Benjamin and Knussen; with soprano Rosemary Hardy; at the von Moos-Stahl-Halle; Aug 21 Nederlands Blazers Ensemble: conducted by Reinbert de Leeuw in works by Rihm and Stravinsky; with pianist Peter Donohoe; at tha

Lukaskirche; Aug 23 Warschauer Nationalphilharmonie: conducted by Kazimiarz Kord in works by Chopin and Rimsky-Korsakow with piano soloist Bruno Leonardo Gelber, at the von Moos-Stahl-Halle; Aug 22

Warschauer Nationalphilharmonie: conducted by Kazimierz Kord in works by

Dvorák and Tchaikovsky; with violin soloist Shiomo Mintz; at the von Moos-Stahl-Halle; Aug 23

### **OPERA**

Jakob Lenz (1977/78): by W. Rihm. Parformed by the Opernensemble und Chor des Luzemer Theaters and tha Luzemer Sinfonieorchester AML Conducted by Peter Kuhn in a staging by Reto Nickler, at the Luzemer Theater, Aug 23

#### PESARO Rossini Opera Festival

Tal: 39-721-33184 CONCERTS Giovanna d'Arco: sung by mezzosoprano Lucia Valentini Terrani. Programme Includes works by Donizetti and Schubert. With the Ort-Orchestra of Tuscarry, conducted by Yves Abel; at the Teatro Rossini; Aug 23,

### **OPERA** Moise et Pharaon: presented in

the version he adapted for the Paris Opera in 1827, Rossini's opera - created as Moses in Egypt in 1818 - Is staged by Greham Vick, With the Orchestra of the Teatro Comunale di Bologna, conducted by Vladimir Jurowski; at the Palafestival;

#### SALZBURG Salzburg Festival Tel: 43-662-844501

 Bons Godunov: by Mossorgski. Conducted by Valerie

Gerglev in a staging by Harbert Wernicke. Samuel Ramey sings the titla rola. Cast also includes Philp Langridge. With tha Vienna Philharmonic, the

Konzertvereinigung Wiene Staatsopernichor and the Slowakischer Philharmonischer Chor Bratislava; at the Grosses Festspielhaus; Aug 21 Die Entführung aus dem Serail:

by Mozart. New production. Conducted by Mark Minkowski and directed by François Abou Salem with designs by Francine Gaspar. With the Mozart Orchestra Salzburg and the Konzertvereinigung Wiener Staatsoperichor, at the Residenzhof; Aug 22

 Wozzeck: by Berg. Conducted by Claudio Abbado in a new production directed by Peter Stein, with sets by Stefan Mayer. Bryn Terfel sings the title role. With the Vienna Philhannonic and the Konzertverinigung Wiener Staatsoperichor, at the Grosses Festspielhaus; Aug 22

#### THEATRE Der Alpenkönig und der Menschenfeind: by Ferdinand Raimund. Revival of Peter Stein's production, with sets by

Tanglewood Festival Ferdinand Wögerbauer, With music by Wenzel Müller, at the Landestheater, Aug 22, 23 Othello: by Shakespeare. New production by London's Royal National Theatre, directed by Sam Mendes; Aug 22, 23 the Shed; Aug 22

SANTA FE Santa Fe Opera

Tel: 1-505-986 5900 Arabella: Janice Watson sings the title role of Strauss'a opera, in a new production directed by John Cox. The conductor is John Crosby; Aug 21

La Traviata: Linda Brovsky

directs this new production of Verdi'a opera, set in the Parisian demimonde. Christopher Larkin conducts; Aug 23

 Semele: new production of Handel'a opera, conducted by John Nelson and directed by John Copley. Elizabeth Futral aings the title role; Aug 22

#### SCHLESWIG-HOLSTEIN

CONCERTS Music Festival Tel: 49-431-567080 NDR-Sinfonieorchester: conducted by Günter Wand in works by Schubert and Brahms; at the Schloss, Kial; Aug 23

#### TANGLEWOOD CONCERTS

Tel: 1-617-931 2000 Boston Symphony Orchestra: and Tanglewood Festival Chorue, conducted by Robert Spano and John Oliver, in works by Rachmaninoff and Tchaikovsky. With piano soloist André Watts; Pianist Peter Serkin: performs works by Takemitsu, Reger and Beethoven; Ozawa Hall;

#### WORLD SERVICE BBC for Europe can be received in western Europe on medium wave 648 kHZ (463m)

**EUROPEAN** CABLE AND SATELLITE BUSINESS TV (Central European Tirna)

MONDAY TO FRIDAY NBC/Super Channel:

FT Business Morning

10.00 European Money Wheel Nonstoo live coverage until 15.00 of European business and the financial markets

Financial Times Business Tonight

CNBC:

08.30 Squawk Box

10.00 European Money Wheel

Financial Times Business Tonight

Peter Martin

executive directors, a remu-

neration committee, and a

fresh commitment to share-

In the German variant of

the myth. Schumacher AG

diversification, the company

making its bankers, work-

holder value.

# Once upon a time

Business myths have their uses. But they don't mean that all companies will live happily ever after

The debate about corporate governance - now under way from Oban to Osaka -

is founded on a myth. Call it the myth of the Jolly Cohhler. Like most myths, it is a stylised version of history. It comes in a number of different national worst of times. versions, all ways of making sense of a messy world. Are you sitting comfort-

corporate governance." they ahly? Then we'll begin. cry. In the background, the This is a story about a Jolly Cobbler. In fact, a other stakeholders are murmuring tco, but - this being whole family of cobblers. the British version of the They make shoes and sell them to the other villagers. myth - no-one pays much attention to them. Still, the They employ local apprenshareholders make enough tices, use local leather and fuss that eventually a series own their own tools and of documents is produced: shop. They are as happy as Cadbury, Greenhury, Hamcan be. Or not: happiness cannot be guaranteed. But pel, Uncle Tom Cobleigh at least they have no corpoand all. There is a lot of grumbling, but in time the rate governance problems. The owners manage the company's managers are reined in by strong non-

business, so there is a clear identity of interest between ownership and management. They are fully inte-grated citizens of their village, so they are unable to ignore the interests of other stakeholders – suppliers, workers, customers, neighbours. Everyone prospers: it is a golden age.

This part of the myth is common to all the national variants. Now comes the ers. customers and neigh- est days of large-scale husipart where the myths diverge. Here is the British version (the American one is similar),

So successful - as well as jolly -- are the cobblers that almost overnight, they become International Cobblers PLC, a public com-

The shares in International Cobbiers are now owned hy faceless institutions, and the company is run hy a cadre of professional managers. The new managers own few shares: they draw their rewards from salaries, bonuses and rapidly-casbed-in share options. Their interests lie in expanding the company, and in increasing their own remuneration. They diversify unwisely and pay them-

selves too well. shareholders are short- words, a result of a decline Because their plants are spread all round the world, changed. Eventually, how- from a past golden age but they have no close links with any of their stakethe vociferous minority of fibres of modern industrial holder communities: shareoverseas shareholders forces capitalism. That does not Schumacher to pay more holders, workers, suppliers. customers and neighbours attention to its owners.

Every country has its own can all be ignored. It is the variant of the myth. In the Eventually, the sharehold-French one, for example, Souliers SA is run hy a ers revolt. "Give us better graduete of the Ecole des Ponts et Chaussures and becomes an unofficial arm of the state.

In every version, however, the myth contrasts the golden age of owner-managers with the new era in which the two are separated. And the myth-making has a point: it seeks to restore, as far as possible, the identity of interest of the owners and managers; and if, in the process, the concerns of other stakeholders are also addressed. so much the better.

There is nothing wrong with the myth of the Jolly Cobbler, except that it is untrue, or at any rate incomplete. Far from being also falls into the hands of professional managers. But a recent development, the instead of wasting time on separation of owners and managers, and the problem devotes all its energies to of reconciling their interests, goes back to the earli-

cobbler

hoard members in Germany). The significant change, in Mr Cassis' view, has been not so much in the formal structures of corporate control hut in the prestige of the salaried managers. From being second-class citizens (in Britain, at any rate) they have become board members and "full members of the country's husiness that makes them hard to control.

Cobbler throws little light on this. By contrasting the golden age of proprietorial capitalism with the distopia of unfettered managerial control, it ignores the social and political context in which corporate governance actually occurs.

This does not mean that

bours feel happy. Only the ness. It is not, in other the documents the myth inspires, such as the recent Hampel report, are unhelpever, growing pressure from an issue entwined in the ful. On the contrary, the Hampel report compresses a great deal of common sense mean that it is unimportant; into a few clearly written hut it means that we cannot pages. But such documents simply hope to return to the will always prove inadequate for those who seek to restore a mythical golden

original state of grace. The existence of different age. And for the profesnational myths conceals the fact that, although different sional managers who cherish their new status, they countries have tackled the will often seem irritating problem with different formal structures, the underlyrestraints on action. ing reality was often much At the heart of the corpomore similar than national rate governance issue is the stereotypes suggest. need to recognise am impor-

tant distinction. Getting the Yousaef Cassis explains in a new book on rules right in normally man-European business history\* aged companies in normal times is e useful process. professional managers have been running big companies From time to time, as the for a very long time. In the social context changes, the early part of the century, in rules must he refreshed. the UK and Franca, they Documents like Hampel can were often not board memhelp. But by and large, in bers; in Germany, where professionalisation of the normal times, there is no great need for elaborate govbusiness elite happened ernance structures. But when things go serisooner, they dominated the management board. In all ously wrong in a company three countries, there was when the chief executive an inherent tension between hecomes too dominant, or the strategy loses touch salaried managers and shareholder representatives

with the real world - a (board members in Britain quite different sort of and France, supervisory response is needed. In such cases each company, and each context, is different, and the myth of the Jolly Cohhler does not help. The most that corporate governance can do in such circumstances is to provide a point of leverage for shareholders or other stakeholders. Some genuinely independent directors - one of them, ideally, a non-executive chairman - can proelite". It is this rise in status vide such a point of leverage. Their response to the moment of crisis must be The myth of the Jolly guided hy integrity, courage and common sense. They

> E-moil: peter.mortin@FT.com \*Big Business: The European Experience in the Twentieth Century. By Youssef Cassis.

Oxford University Press, £35

will get little guidance from

a load of cohblers.

BOOK REVIEW Tony acknow THE SYNERGY MYTH: By Harold Geneen St Martin's Press, \$24.95

# **Future lessons from** yesterday's man

in a double cent. sense, Harold belongs to corlowing him into the history hooks. Two years ego it was broken into three. The

broken in three again. Paradoxically, this makes him relevant to the future. On some topics, management fashion swings like a pendulum: between centralisation and decentralisation, outsourcing and insourcing, focus and spread. Conglomerates have been out of fashion for years. It is therefore a fair bet that they are coming back.

Mr Geneen's case for the conglomerate is persuasiva as far as it goes. To succeed in business, he says, it is essential to take risks. But they must be smart risks: researched, understood, survivable. The conglomerate, he claims, is a good vehicle for identifying and exploit-

ing them.
Why, then, did his own his book displaya, the answer is predictabla: because he was not there.

"Running a conglomerate," he writes, "requires now ensure that those barworking harder than most people want to work and taking more risks than most people want to take ... After l left, the company veered ooto a new course, emphasising consolidation rather and regret, wondering what might have been."

This will not do. In the last five years of Mr ket by 30 per cent. From had to be broken up. there until break-up, it

For Mr Geneen, this part Geneen is yes- of the record scarcely mat- borrowed \$2m to exercise terday's man. ters. He refers with pride to options he had been awarded At 88, he ITT's 'overall growth between 1959 and 1977 under porate America's distant his stewardship. His figures past. ITT, the conglomerate are certainly worth recordhe huilt up, seems to be fol- ing. Annual sales went from \$765m to nearly \$28bn. Earnings went from \$39m to \$562m. Earnings per cent went from \$1 to \$4.20.

largest part is now being That is, the company's sales rose 36 times, its earnings 19 times and earnings per share 4 times. Revenues were assembled through the simple process of acquisition, while margins almost halved. As for earnings per over the pariod. So from a shareholder's perspective, ITT was growing

> overall. Defenders of the conglomerate point to one stunningly successful example, General Electric. Mr Geneen does the same. But there is one big difference. GE is not, on the whole, an acquirer.

no faster than the economy

use the change of ownership to secure bargains not availahle to portfollo investors.

gains no longer exist. In addition, a company such as ITT needed a continnous snpply of companies with the same attitude to investors displayed by Mr Geneen himself. If they than growth...Often, I have failed to deliver valua to felt the stab of frustration shareholders, that value and regret, wondering what could be unlocked through takeover. In today's climate. junior is again finding it is of investor capitalism, institutions insist on capturing Geneen's tenure, ITT's stock that value themselves. That underperformed the US mar- was why, in the end, ITT The Synergy Myth is avail-

This is a fundamental nnderperformed hy change which Mr Geneen per understands, hut fails to

apply to his own case. Early in his tenure, he remarks, he on arrival. When he left, the weakness in the share price meant that after paying off tha loan, he was \$2m in profit

"That was my payback". he writes, "for 18 years of building ITT into one of the great companies in the world." The fact that his fellow-shareholders were in the same boat evidently does not occur to him.

Perhaps this is being too hard on the book itself. It is in no sense a closely argued tract, but a relaxed and garshare, their increase was rulous monologue: agreeable bang in line with nominal to raad - lt was ghost-US gross domestic product written by a New York Times man - and occasionally striking.

Mr Geneen's views - and there ara few topics on which he does not have them - were formulated long before the era of downsizing and re-engineering. Here too. they may be relevant to the future as the pendulum

swings. The worst thing to have The era of the acquisitive happened to business in 35 conglomerate depended on years, he writes, is the shirkempire disintegrate? Given markat inafficianciaa, ing of responsibility by man-the unshakeable self-belief wherehy companies could agers for the welfare of their agers for the welfare of their employees. Downsizing is the mark of corporate failure. The chief executive's By and large, the markets pay should fall accordingly.

As some of his other views make clear, this has nothing to do with softness of heart, The antidote to downsizing is growth. Mr Geneen knows all about that, in revenue terms at any rate. Now, in 1111 an era of low inflation and high efficiency, a generation of US managers 50 years his the only way to take their

able from FT Bookshop by



In search of a better correspondent in Turkish banking? We strongly recommend a truly global partner

with none of the local dissonance. The only multi-branch Turkish bank awarded longterm A rating three years in a row by Capital Intelligence. The highest rated emerging market bank by Thomson Bankwatch. The Turkish bank whose high regard among international financial community generated \$1 billion in funding facilities in 1996. The Bank that has completed several asset backed

securitization programmes with maturities 5-7 years. The Bank that was selected as the "Best Bank of

Turkey" by Euromonev for 2 consecutive years. Then again, if you think your correspondent in Turkey should also have local strength, who could be a better choice than a bank that handles 9.0% of Turkey's exports? A bank that handles 4.2% of Turkey imports. A bank whose foreign currency transactions totaled \$16.5 billion in 1996. A correspondent bank with global standards and local power.

For further information please contact Mr. Hüsnü Akhan, Executive Vice President.

63 Büyükdere Caddesi, Maslak 80670 İstanbul/Turkey Tel, Fax: (90-212) 285 40 40 Telex: 27635 gatt-tr bttp://www.garantibank.com.to

# ·LETTERS TO THE EDITOR

Number One Southwark Bridge, London SEI 966 We are keen to encourage letters from readers around the world. Letters may be impedite (\$4.375.87). 55% please set to fine), e.mail: letters editor@ft.com Published letters are also available on the FF web site shap //www.PF com

Translation may be available for letters written in the main international libraries.

# Challenge to investors of the volatile euro

From Mr Avinash Persaud. Sir, In the debate that will ensue on whether the euro will be hard or soft ("The strength in numbers", August 11), it is clear that it will be volatile. The dollar/euro exchange rate will be significantly more volatile than dollar/D-Mark or dollar/sterling, challenging

corporate treasurers and international investors alike. There are four reasons. If the euro quickly challenges the dollar's begemony in international finance, the resulting portfolio shifts hy central banks, investors and corporates into euros will not conform to a smooth

schedule. Speculation surrounding the size and timing of these shifts, estimated by J. P. Morgan to be in the wide region of \$300hn over the next five years, will add to volatility even before they happen.

ence for the euro's value. Third, the euro's arrival transforms G7 from a body dominated by small, open economies into "G3" a body

Second, uncertainty over

the value of the new currency and the behaviour of the new central bank will add to volatility. Every event will be afforded great significance by market participants hungry for a frame of refer-

dominated by large, "closed" economies. As the gyrations of the dollar prove, large closed economies are less affected, and their monetary authorities less concerned, by exchange rate volatility. Remove the veil of concern by central bankers and markets may take exchange

rstes to extremes. Finally, removing volatility from one market merely shifts it into another. Go from floating exchange rates to fixed rates and interest rates are forced to rise and

There is already evidence that falling exchange rate volatility within Europe has

fall more.

J. P. Morgan Europe 60 Victoria Embankment.

weak as the Emu-pessimists claim, but it will not be as stable as the optimists hope. Avinash Persaud. Head of Currency Research,

London EC4Y OJP, UK

"led" to rising volatility of

D-Mark/yen exchange rates.

Helsinki to Rome are being

number of channels of which

the dollar/DM exchange rate

today and dollar/euro rate

tomorrow will be the most

The euro will not be as

reflected in a diminished

Why? Economic shocks from

the dollar/D-Mark and

# IFC participation ensures responsibility

From Mr Mark Constantine. Sir, Your article "Chile dam row shows IFC's problems with projects" (August 8) reported on the publication of an independent review of the Pangue hydroelectric project. The article acknowledges that International Finance Corporation was precluded from publicly releasing the entire document based on the indepen-

dent advice of outside law-However, there was no editing or rewriting of the original text. It was our objective to make as much information public as possible about IFC's own perfornance - be it positive or negative - yet avold costly litigation. That is a far cry

from the reported allegation of document "censoring". And, if one had read the publicly released report, it would be clear that many portions were highly critical of IFC. Therefore, it is equally disingenuous to claim that IFC was trying to

Missing from the article

avoid embarrassment.

was any mention of the

many improvements incorporated into the Pangue project as a result of IFC's participation. These enhancements included preparation of an environmental assessment, consultation with local stakeholders. an operating plan to protect downstream water users and the ecology of the river, and creation of an ecological station, to name just a few. IFC also insisted on the estab-lishment of a foundation to bring project benefits to the local indigenous population.

Neither IFC nor the Pangue project are perfect. But the facts are very clear. IFC's participation in Pangue and other enterprises helps ensure that these private sector activities are more environmentally responsible and socially sustainable.

Mark Constantine. Corporate Relations, International Finance Corporation 2121 Pennsylvania Avenue

Washington D. C. 20433, US

### Valuable lessons on life in real world

From Professor

Sir, I liked Niall Ferguson's article "Alternative way to meet the university challenge" (August 16) and sympathised with much of it: yes, school standards probably really are collapsing; yes, political and treasury crooks probably will lcot the proceeds; yes, there are some very lazy teachers around, most pretending to do research; yes, social/political/media, and so on, garhage becomes ever more

prominent at the expense of serious studies; and yes, the "televersity" idea indeed sounds both cheap and attractive.

But Mr Ferguson gets two important things wrong, l think. First, he values the social virtues of universities purely for sex and alcohol. ignoring the profound value of student-student and student-staff interactions. Good teachers have value far beyond the lecture theatre. Second, he (correctly) val-

ues science studies highly.

but quite fails to explain how the "televersity" could run practical classes effec-

Perhaps Mr Ferguson is as ignorant of teaching science. as one would expect a historian or sociologist or mediaperson to be. If he wants to be taken seriously, he ought to learn something about real life, not just history in

N. W. Simmonds. 9 McLaren Road. Edinburgh EH9 2BN, UK

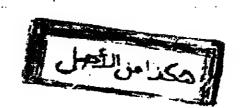
### Rise in cost of **BAA** project is no news

From Mr Russell Walls. Sir, When we announced our results for 1996-97 and published our annual report in June, we said that the cost of BAA's Heathrow Express project had risen to £440m (\$717.2m) and gave the reasons - the tunnel collapse in 1994, buying our partner's stake, and upgrades such as check-in facilities at Paddington.

Imagine my astonishment therefore to find the Financial Times giving space to this story 10 weeks later ("BAA admits increased cost of Heathrow link". August 20). It must be the time of

Heathrow Express had one setback with the tunnel collance in 1994. At each stage since then we have kept investors informed of progress and costs. The full service from Paddington to Heathrow in 15 minutes begins in June 1998. It will be the first major improvement to London's transport network this decade, built and run by BAA profitably and at no cost to the taxpayer.

Russell Walls, corporate finance director. Corporate office, 120 Wilton Road. London SW1V 1LQ, UK



المحققة خرج

a arrage

ئىيىد ...

ولأثال معطرة وبراءين

الله المدن والدارات المعندي

a graft sales

المعال إليان الما

مینید. 2 - بردیشنامان و چیکارش حیل در در

. . .

/, 4.25 m/ (\*) 2014

Section 3

2. 1. 30%

the state of the s

THE PERSON

THE STATE OF

TAPPER A

1014年 村

......

- Ser 20.

小小 人 电键

" W TONEY

THE SHE

\*\*\*

The state of the s

THE PLANE

(A) (A) (A) (A)

to draw at the

-

T. 1

70.00

The of gray m

1. 化性性管理

o transition of the second

100

والمع الموادي

1000 To the same \* 3 \ L (4)

Number One Southwark Bridge, London SEI 9HL Tel: +44 171-873 3000 Telex: 922186 Fax: +44 171-407 5700 Thursday August 21 1997

# Free the FCC

Telecommunications Act was mtended to hring about a swift restructuring of the telecoms market, introducing full competition for the local, long distance and cable television services businesse

Progress has been painfully slow. The principal regulator, the Federal Communications Commission, has the task of deciding when local telephone companies are entitled to enter the long distance husiness. It has suffered a number of tegal setbacks, however.

The FCC's aim of setting national pricing rules for the terms on which local and long-distance carriers interconnect their networks - the key ssue in promoting competition - has had to be set aside. The courts decided the Act left price setting to individual states rather than the regulator.

The decision was a serious hlow to rapid liberalisation of local markets. Clearly, the commission has been given inadequate statutory tools to carry out its task effectively. Reed Hundt, the commission's ontgoing chairman, last week suggested Congress might look again at the Act, to give the FCC sharper teeth.

In the meantime. Mr Hundt is pursuing what he calls a "belts and suspenders" approach, to achieve the same effect by other application hy Ameritech, the Chicago-based local operator, to enter the long distance market in Michigan

Ameritech's application was rejected because it had failed to show that it had met all the requirements of allowing competitors equal access to its market. But FCC tempered its decision hy providing Ameritech with a "road map", showing the criteria it must meet to gain

long distance approval.

This will go a long way to retrieving the ground tost through the courts' decision. It re-establishes the FCC's authority to set national rules governing how and when local operators can enter tong distance markets. It gives Ameritech and other would he long distance challengers a ctear idea of their ohligations. And it warns the long distance operators that new competitors working to meet these ohligations are seri-

ous about competition. This approach lends justification to the plans of long distance operators such AT&T and BT/MCI to break into local markets. It makes it more danger ous for such companies to lower

their ambitions, Belt and suspender strategies are, however, inadequate for the world's largest telecoms market. Congress should consider an amended Act, giving the FCC

# Firmly pegged

Hong Kong's financial markets currency stabilised vesterday as pressure on the local dollar eased. There can be no guarantee that tur-moil will not return, but there must now be grounds for hope that this week's speculative attack on the currency will prove as sbort-lived as It was

There is a world of difference between Hong Koog and Thatland. One is a small territory operating a currency board backed up by large reserves more violent. But, in stark conthat cover its banknote Issue trast with Thailand, its banking several times over. The other is regulators and financial institua full-sized country that was operating a loose peg backed by a small and rapidly dwindling hoard of reserves. The Thal baht was vulnerable to attack.

Unlike Thailand, Hong Kong's domestic economy is robust and its government finances sound. True, its property market looks a touch frothy but there is nothiug like the glut that has hrought such misery to Thaitand's real estate developers and banks. Hong Kong's new government has the luxury of choice on currency policy. With the hacking of China, it has rightly - and predictably decided to stick with the peg. There are both political and

The Hong Kong dollar is not.

economic reasons why this makes sense. The economic jusomy, it helps husiness to have a profit.

There is a trade-off in terms of domestic inflation. But Hong Kong's high costs reflect its high productivity and continuing competitiveness in the service sector which shows every sign of continuing.

Hong Kong's obligation to synchronise its monetary policy with that of the US means the local cycle, which is beavily influenced by China, can be

From a political perspective,

tions are well able to cope.

abandoning the peg so sbortly after the bandover would involve a disastrous loss of face for China and Tung Chee-bwa, Hong Kong's new leader. Confidence would collapse in China's ability to preserve Hong Kong's prosperity and its way of life. The "one country two systems" concept would immediately be deemed a failure. In the very long run, it might

make sense to re-peg Hong Kong's currency to the Chinese vuan. But it will take years for the two economies to converge sufficiently. If George Soros and his like want to argue with that, good luck to them.

Truly clever speculators know it is only worth taking a positification is that, in Hong tion when there is some chance Kong's outwardly oriented econ- of actually coming away with a

# In the mire

### Clive Cookson and Chrystia Freeland ask whether Russia's space programme can recover from the crisis affecting Mir

omorrow two cosmonauts are due to carry out one of the most perilous exploits in the history of space flight. In walking out into the damaged and airless parts of their space vehicle. Anatoly Solovyov and Pavel Vinogradov will not only be risking their own lives. They will he attempting to secure the future of the Russian

manned space programme. The "internal spacewalk" will take them into the appropriately named Spektr - the laboratory module of the Mir space station which has been sealed off since an unmanned supply vesset smashed into it on June 25. The bazards floating inside the dark module may include chemicals and sbarp dehris from broken experiments.

Their first and most critical mission is to re-attach power cables from Spektr's solar panels. This would restore most of Mir's electricity\_supply, which bas

been cut off since the collision. If the power supplies cannot be restored, the Russian Space Agency will face overwhelming pressure to abandon the troubleplagued Mir. on safety grounds. That would put a temporary end to its manned space activities, which depend on Mir. It might also place in doubt Russian participation in the planned International Space Station (ISS), a USled project on which an estimated \$30bn is to be spent over

the next few years. The ISS is to be a base for space exploration in the next century - for observing the Earth. for scientific experiments and manufacturing operations that require weightless conditions and, more futuristically, for expeditions into outer space. Although US funding for the ISS has so far survived challenges by budget-cutters in Congress, Russian withdrawal would threaten the whole grandiose project.

Mir was planned both as a scientific platform and to explore the limits of human endurance in space. lis main module was launched in 1986, when Soviet space power was at its zenith and the US was reeling from the shock of the Challenger shuttle

Eleven years later, the contrast between Russian woes and American joy in space could not be

Discovery has completed a flawtess flight, packed with scientific experiments - and the Mars Pathfinder continues to send hack spectacular observations from the red planet - while the crew of the Mir can do no more than oppose a sea of troubles.

The two cosmonauts and their Nasa colleague, Michael Foale, have a long list of urgent repairs to carry out, heyond restoring Mir's power supplies. Their problems include a computer that is liable to crash, erratic oxygen generation and contaminated drinking water. They bave a programme of half a dozen spacewalks over the next two months. including an attempt to seal an inch-long gash in Spektr's outer skin so the module can be repres-

In the Soviet era, the Americans would have been quietly exulting in the Russtans' problems. In the current age of co-operation, they are sharing them - as the presence of Mr

Foale, makes clear. Nasa is providing its casbstarved Russian counterpart with extensive technical assistance and \$400m over four years. That is serious money for the Russlan Space Agency, whose total 1997 downs have tarnished that symbol Underscoring the "out-of-this-budget is just under \$400m. In bol and Boris Yeltsin's initial world" nature of people who

greater. This week the US shuttle exchange. Nasa is acquiring invaluable experience on Mir, the world's only permanently manned station, which is being used to design and build the ISS. In Moscow, Mir's travails have heen seen as an example of both the hest and the worst of the new

> At one level, they are a metaphor for the difficulties Russia's shrunkeo economy has undergone as it travels down the rocky road of market reforms. Space officials take every opportunity to blame sbortages of money and

> resources for their problems. On the other band, the crew's endurance is also viewed as a characteristic display of the stoicism which has allowed Russla to survive war and revolution. and which may now be bringing the nation bope of an economic

and social revival. The political storm surrounding Mir bas offered insights into the successes and failures of Russia's democratic transformation. Since the collapse of the Soviet Union, the space programme has become a loaded political issue, representing one of the Kremitn's

last, lingering claims on international creatness. Mir's accidents and break-

reaction has revealed that, in a travel into space for a living, the crisis, he is still inclined to follow two cosmonauts were separated his Soviet-era instincts. On a tour of the Krunichev space centre last week, the Russian president heaped praise on his country's space programme, hlaming Mir's difficulties on "the crew, the

human factor.

The search for individual "sahoteurs" is a time-honoured Soviet tradition, but public reaction to the president's statement attested to the emerging power of an independent civil society. Some Russian newspapers rushed to defeud Vasity Tsihliyev, the Mir commander who returned to Earth last Friday after six angulshed months in orbit. urging the Kremlin not to make

him a scapegoat. The cosmonauts bave not been afraid to defend themselves in public. Mr Tsibllyev opened hls hack-to-Earth press conference at Star City with an ominous prelude: "This was the very lucklest expedition, because we returned alive, although many people here

on Earth clearly wanted us to return as corpses. Mr Tsibliyev's words sounded particularly grave as they rang out in the vast conference hall of the House of the Cosmonauts.

from the crowd of reporters by five rows of seats a cordon sanitoire to protect them from the infections to which returnees to

Earth are vulnerable. Exculpating himself. Mr Tsihlivev indirectly blamed mission control for the crew's problems. saying that none of the radio messages offering instructions on dealing with emergencies had

provided appropriate guidance. Mir may he mired in difficulties hut it is thriving in comparison with the rest of the state space sector. There is virtually no money for unmanned scientific missions, and the spectacular failure of Mars 96 last Novem-

ber more or less killed off Russian ambitions to explore other planets. in contrast, Russia is emerging as a world power in the business of launching satellites. Capitalising nn their low costs, and co-operating with space facilities in the former Soviet republics of Ukraine and Kazakhstan, Russian rocket manufacturers are winning western clients. Proton rockets, marketed jointly with Lockheed Martin of the US, con-

sistently lift international com-

munications satellites into orbit.

The next launch, for PanAmSat,

ls due on Tuesday. Russla's commercial space programme could receive a further boost from Sea Launch, an amhltlous international project to launch satellites from a platform in the Pacific Ocean. Supported by \$200m World Bank guarantees, the project is a joint venture led by Boeing of the US and involving Russlan and Ukrainian rocket and launch organisations.

Sea Launch is due to come into operation late oext year. At the same time, the Russian Space Agency should launch the first components of the international Space Station.

Western space officials working with the Russians say the past few weeks may have been a watershed. They believe events on Mir bave shocked President Yeltsin and his colleagues mo giving a political and financial commitment to the space programme at the highest level. If so, the upshot could be something that seems out-of-this world at the moment: the beginnings of a Russian renaissance in space.

### Mir's six months of trouble

An oxygen canister bursts into flames on February 23, filling the station with puffs of vapour and smoke Russian officials say the crew put out the fire using a wet towel and fire extinguisher.

March: oxygen system to eakdown 2007 Both oxygen generators fail in the first week of March, forcing the crew to rely on canisters similar to the one that exploded in February. The crew repairs one unit. A back-up is brought aboard a US space shuttle in July.

ril: cooling system leaks 🔫 💸 🔊 🔭 The temperature control system begins leaking harmful

coolant in early April, briefly raising temperatures in parts of the station to above 86°F (30°C). The leaks cause Mir's primary air-purtilication system, which removes dangerous carbon dioxide from the air, to fail, forcing the crew to temporarily rely on a back-up. They are ntually found and fixed.

June: collision A Russian supply ship creshes into the station on June 25 during a docking exercise, causing one of Mir's six modules to lose pressure. The crew close the hatch to seal the damaged Spektr module off from the rest of Mir. About half the station's power is lost in the aftermath.

Mir's 43-year-old commander, Vasity Tsibfiyev, complains of heart irregularities, prompting mission controllers to declare him unfit for the repair mission to restore power lost in the June collision.

Mir loses nearly all its remaining power on July 17 when the crew accidentally disconnects a cable that delivers electricity to the mechanism that points the ship's solar panels toward the sun. Power is restored 24 hours later.

August exygen system + 7 mil The space station's oxygen generators break down, a fault that had occurred repeatedly over the previous

August 17- doct in the land to the land

A faulty computer program prevents the planned docking with an unmanned supply ship August 18: computer of state

The docking takes place, but the main computer fails al

the same time, knocking out the system that keeps the

station's solar panels pointing toward the sun.

# **UK** electricity

Professor Stephen Littlechild, allowed into the retail business the UK electricity regulator, at all levels. If successful, this yesterday put his gun back in its holster. He decided instead to call the regional electricity companies into the saloon bar for another drink over his plan to change the way in which prices are regulated.

He wants to end the system which altows the distribution companies to pass wholesale power costs straight through to domestic customers. Instead, he has suggested, during lengthy consultations, that be would set maximum tariffs, leaving the retailers to negotiate the best deal they could with the genera-

After the third of his five consultation papers, a majority of the companies said they were at teast not against this approach. But when he started to talk money in the fourth paper, the mood turned uglier. He has evidently decided now,

in the fifth and final consultation paper, that he cannot afford a full scale shoot-out in front of the Monopolies and Mergers Commission, and has weakened the price restraint. Perhaps, more like a carpet

salesman than a sheriff, the regulator opened with terms which he knew were too steep before trying to make a sale of his new system. But there is atso a sound economic argument for regulating the electricity companies with a somewhat slacker 1998, competition is to he falls.

at all levels. If successful, this will be far more effective than regulation in restraining prices to an economically efficient level. But if prices and profits are restrained too sharpty during interim period, new competition will be discouraged and domestic consumers will be left in the grip of regulated monopo-

Against that background, yes

terday's numbers might appear to be a reasonable compromise However the ragulator's attempts to use price restraints on retailers to put pressure on the generating companies is less well judged, as the ehullience of generators' share prices clearly signatled yesterday. Distribntors have limited leverage in a market dominated by two large power companies. So it is possihte that an easier regime on retailing monopolies will result merety in higher margins for their suppliers.

The remedy, in generation as in regional supply, must be vigorous competition. The emergence of new suppliers in the power market has not done enough to make the market competitive. The regulator must therefore reload his gun, put on his badge and round up the usual suspecta before the monopolies commission with a view to splitting them into four or five companies. Only then can there be a real fight in the rein in the next two years. From market place - till the last price

**Fortress** Frankfurt From its snazzy new house. And bolstered by his skyscraper headquarters, position as president of the Commerzbank is trying hard to maintain an air of impregnability - despite the

rumours swirling ceaselessly around its walls. Whether Germany's third biggest commercial bank is taken over, merges or stays happily independent, chairman Martin Kohlhaussen doesn't seem to be losing any sleep. Now

on holiday, 61-year-old Kohlhaussen will return on Monday to the 48th floor Frankfurt office which gives him a superior view of the local banking scene. Dislodging him won't be easy, though rumours about Commerzbank's future have reached gale-force since

Bavaria's big two banks got engaged last month. If that marriage and another Berlin-Hanover banking link are successfully concluded, Commerzbank will slip to fifth place in the German teague. **HSBC** and Swiss investor Martin Ebner are the latest names rumoured to be waiting in the wings. But Kohlhaussen

has repeatedly affirmed his

Commerzhank - the world's 28th

biggest bank by assets - should

determination that

remain independent. With four more years of his contract to run and a strong profits performance under his belt, he is certainly undisputed master in his own German banking association. he'll fight hard to stay that way.

Delegate matter South Korea might have

chosen a different ship to transport a delegation of international luminaries on a rare visit to North Korea this week. The vessel, which was forbidden to fly the South Korean flag in North Korean waters, was called Hannara - or "one country". Mac Williams, Australia's ambassador to Seoul says North Korea found the name provocative given the rivalry between the two regimes

Williams was part of a delegation taking part in ground-breaking ceremony for a new lightwater nuclear plant promised after North Korea agreed to abandon a nuclear programme that would have provided it with weapons-grade pintonium.

Not many outsiders get into the area, and delegates say there was no evidence the government of Kim Jong il was losing its authority despite the country's extreme shortage of food. But the trip was not without

incident. On the way back to port one of the delegation's trucks careered off the road: the assembled ambassadors had no choice but to wade knee deep through mud as they struggled hack to the hoat.

BSERVER

Banker's graft ■ Long after other Greece-based

bankers have packed their bags for the beach, Ersoy Volkan is kicking his heels around Thessaloniki. Volkan is the chief executive of the Black Sea Economic Co-operation Bank: the international institution was set up two years ago to promote regional trade, hnt it still hasn't opened for business Not all the bank's 11

shareholder countries own a stretch of Black Sea coastline but that doesn't seem to matter. Greece, Alhania, Moldova, Armenia and Azerbaijan were already members of the parent organisation, the Istanhul-based Black Sea Economic Co-operation Council. Volkan, a Turkish national

who worked for Citibank in Ankara and New York, got the job after the council agreed to base the bank in Greece provided it was headed by a Turk. The Greeks argued that, as the only EU member in the group, they would be able to raise funds for the hank in

The new institution was supposed to open its doors in May, hut apparently some countries still haven't paid up their share of the equity. While Volkan kicks his heels it's beginning to took as if Greece will bave to stump up funds on hehalf of several smaller. cash-strapped shareholders.

Arch enemy

■ Putting priests in charge of law and order bas been out of fashion since the Spanish Inouisition. But that basn't stopped Houduras appointing a new police chief who's more used to hrandishing a hible than a haton. The country's legislature vesterday voted overwhelmingly in favour of putting Archhishop Oscar Rodriguez, the country's top Roman Catholic cleric. in temporary charge of the police force. It's the first step in a drive to take law enforcement out of the hands of the military. Potiticians reckon Rodriguez -

who's also president of the Latin American conference of bishops is just the man to tackle rising crime until a new Security Ministry takes over next year. The archbishop of Tegucigalpa has got eight months to knock the force into shape. No one's saying if he's going to abandon his robes for something a tittle more in keeping.

Financial Times

100 years ago Capital In Russia

The Czar's Finance Minister is anxious to have foreign capital flow freely into the untry, but be gets very little from Great Britain. although, as our Consul at Odessa ohserves, Russia presents most excellent opportunities for employing surplus funds. As showing how far other countries surpass us in utilising this rich field, we may remark that of the foreign companies registered in Russia. twenty-one are French. twenty-six Belgian and eight German, Great Britain is represented by only three companies. Most of these undertakings do exceedingly well, some we are told distributing dividends of 40 to 80 per cent.

50 years ago U.S. Films in Denmark

Copenhagen, 20th August, A representative of eight major American film companies met Danish Government officials bere this afternoon for discussion on a Danisb proposal to cut film imports. Danes want a quota system which would ensure obtaining the best of American films



Thursday August 21 1997



**PRINTERS** FAX MACHINES

# Bangladesh garment makers 'facing ruin'

By Kasra Naji in Dhaka and Michael Smith in Brussels

Bangladeshl manufacturers, who export ised System of Preferences the EU is only prepared to more T-shirts to Europe than anyone else, claim they face bankruptcy because of a dispute with the European Union over access for their products.

The EU wants the Bangladeshi government to cancel nearly 7,000 allegedly fraudulent export certificates - but the cancellations would pave ucts such as T-sbirts and the way for individual EU sweaters, the GSP requires a countries to collect several three-stage transformation years' backlog of taxes from garment exporters. The backlog could amount to more than EU delegation found the \$100m, according to Bangladeshi estimates, which could ruin smaller exporters.

The Bangladesh Garment their yarn. Manufacturers and Exporters Association fears that, in the end, Bangladeshi manufacturers will either have to pay gladesh, to export a certain most of the back taxes or risk volume of garments into the it as "suicidal".

export certificates violate rules anate from their country. In the garment of origin under the General- case of Bangladesh, however,

(GSP). Less developed countries, such as Bangladesb. receive favourable access to European markets and, under the GSP, are exempt from 12.5 per cent import duty on goods manufactured locally, up to a certain volume.

In the case of knitted prodfrom local yarn to fahric to finished product. However, an authorities had issued EU-approved export licences to exporters who had imported

The dispute coincides with plans by the EU to allow several countries, including Ban-

losing their European buyers. union tax-free, even if the the The EU claims the irregular raw material does not origiallow this if its government first cancels the allegedly fraudulent certificates.

Until the dispute is resolved the EU is prepared to allow duty free imports of garments which genuinely originate in Bangladesh. It believes these form a minority of the total.

The industry itself is divided on bow to respond. Mostafa Golam Quddus, president of the Bangladeshl manufacturers group, has called on his government to stand firm and not jeopardise its credibility by cancelling the certificates. even at the risk of losing favourable market access.

But his statement was sharply criticised by Anisur Rahman, former president of the association, who described

# Nato seizes arms caches at Bosnian police stations

By Guy Dinmore in Banja Luka, Bosnia

Nato-led peacekeeping forces yesterday swooped on all police hulldings in the north-west Bosnian town of Banja Luka where they discovered large quantities of illegal weapons stored for a possible coup against Biljana Playsic, Bosnian Serh president.

Over 300 British and Czech troops, using armoured personnel carriers under air cover from US Apache belicopters, launched the operation at dawn against five police compounds. They met no resistance from the police forces, which remain loyal to Radovan Karadzic, former president, who has been indicted for war crimes by the United seki. Nations tribunal in the Hague.

Mr Karadzic's supporters had refused to hand over control of the Banja Luka security apparatus, provoking fears of a coup attempt against Mrs Plav- Mrs Plavsic as interior minis-

Continued from Page 1

FFr10bn in 1998.

the measures would eventually reach a peak of FFr35hn-

(\$5.65bn). The government is

aiming to create between 30,000 and 50,000 jobs at a cost

of FFr2bo in the remainder of

this year. This is set to rise to

The government emphasised

that this will be done without

increasing overall public

spending or jeopardising France's qualification for

European monetary union.

sic, who has won strong inter- ter in June, and to allow the national backing in her power president to install her own struggle with hardline Serb

UN civilian police protected by the Nato-led Stabilisation Force (SFOR) said they bad discovered large caches of weapons at the main public security centre, and at a police station used by traffic police just several bundred metres from the presidential offices. Their haul filled several trucks and included rifles, machine guns, rocket launchers, mines

The operation was authorised by Robert Gelbard, US special envoy to Bosnia, after talks late on Tuesday with Mrs Playsic and the SFOR commander, US General Eric Shin-

and plastic explosives.

A senior official, who asked not to be named, said its purpose was to remove police still taking orders from Dragan Kijac, who was dismissed by

Continued from Page 1

agricultural products."

exports to the region.

100,000 johs at a cost of ening trade deficits with

appears to reflect, at least in

part, changes in the prices of

intarnationally traded com-

modities such as crude oil and

The improved trade picture

in Juna was tempered hy wid-

China and Japan, and slow

growth in western Europe,

which has led to a drop in US

The trade deficit with China

rose to \$42bu in the first six

months of 1997, compared

"If we have blocked a possible conp, then so much the better," the official said.

Another senior official said Mr Kijac in June had ordered that Mrs Playsic be detained on her way back to Bosnia from Belgrade and taken for "psychiatric treatment", but his police missed her.

British forces said they found eavesdropping equip-meot and more than 200 tapes in the security centre, which had been used to tap telephone lines in Banja Luka - including the president's.

The power struggle between Mrs Playsic and Mr Karadzic risks tearing apart the Serbcontrolled half of Bosnia and could lead to parallel governments unless the international community can push through early parliameotary elections which the president has called

for October. Chirac warning | US trade deficit narrows with \$31.4bn a year ago. US experts to China grew by only

> 1997, but imports were 26 per cent higher. Increased sales of precious metals, vehicles and car parts lifted exports to \$57.5bn in June from \$56.9bn in May.

3 per cent in the first half of

US imports of capital goods continued to rise in June, but imports of crude oil and consumer goods fell. Imports of goods totalled \$72.5hn in June, compared with \$73.2hn in May. The surplus in services was unchanged at \$6.9bn.

FT WEATHER GUIDE

# FBI seizes documents in hunt for stock fraudster

The international pursult of Irving Kott, a convicted stock fraudster, resumed in Basie, Switzerland, and Beverly Hills in the US this week with syn-

"white-collar crime investigaboth offices continued operat-Bureau of Investigation officers and Swiss police took away unidentified documents on Tuesday.

cer, were not available for

Mr Kott senior's role at the firm was as an "ad boc consultant on marketing and advertising", the firm added.

In Basle, Mr Felix Oeri, Oxford chairman and 20 per cent stakeholder, said the firm was co-operating with the authorities and be "did not think" be would appeal to prevent the documents going to

Although the object of the raids was not officially disclosed, it is understood the main targets included papers relating to the firm's links with Mr Kott, a Montreal resident first convicted of stock fraud in Canada in 1976.

On that occasion he was fined C\$500,000 (US\$360,000) in Ontario for the deceitful promotion of mining stocks.

thousands of investors.

issued arrest warrants for several FCS executives. Extradition efforts foundered, and, according to some reports, Mr Kott settled tha case with a \$4m payment to investors.

Oxford, which also has branches in Miami, Chicago, Boston Dallas and New York bas been run since 1994 by Stephen Rubenstein, a former

gation of Mr Kott's bistory, and felt his experience in promotion could be useful. Oxford, under its previous name of RKS Financial, owned

Reynolds Kendrick Stratton, a retail brokerage fined several times hy the National Association of Securities Dealers, and the target of lawsuits from disgruntled investors.

# By Christopher Parkes in Los Angeles and William Hall in Zurich

chronised raids on the offices of discount broker J.B. Oxford. The FBI said the seizure of documents related to a tion", while the firm reported ing normally after Federal

The US Securities and Exchange Commission also served subpoenas on the firm and some of its employees, the firm said. It could not name those summoned, and executives at the Beverly Hills headquarters, who include Mr Kott's son lan, recently pro-moted to chief operating offi-

US investigators.

Mr Kott was also linked with

First Commerce Securities, an Amsterdam firm shut down in 1986 after allegedly duping Mr Kott left Europe as police

Price Waterbouse accountant. According to a spokesman be conducted his own investi-

# THE LEX COLUMN

# German jitters

Will five years of falling German interest rates come to an end when the Bundesbank council meets today? It seems unlikely. Consumer inflation is still only 1.9 per cent and M3 money supply growth of 5.7 per cent is well within the Bundeshank's target band. Moreover, domestic demand remains frail and 4.3m people are unemployed. But it is hardly surprising that the market got the jitters last week when Otmar Issing, a Bundesbank council member, pronounced that inflation was heading "in the wrong direction". Ten years ago it was a rise in German rates that precipitated a global stock market crash. This ime round, the impact on countries trying to qualify for economic and monetary union might be equally dramatic.

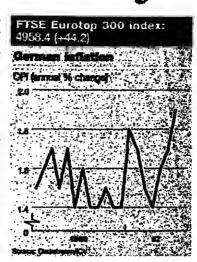
Mr Issing's concern is clear enough: inflation may be low, but it is humping up against the Bundesbank's unofficial 2 per cent ceiling. And the risk is that, in the months ahead, it will pop above that level. Clearly D-Mark weakness is a further consideration. Ostensibly the Bundesbank does not have a target value for it. But inasmuch as it feeds into inflation, it is a factor.

Right now, the Bundesbank probably lacks the ammunition to argue for tighter policy. But faced with higher inflation, a D-Mark heading towards DM2.0 against the dollar, or hoth, it will quickly shed any inhibitions. Correctly, it will give short shrift to arguments that escaping from the economy's structural problems requires a weak D-Mark. Problems that were created in Bonn should he solved in Bonn, not

#### US telecoms

Eighteen months after deregulation, the US telecommunications industry looks as monolithic as ever. Though plenty of new operators have sprung up, the five Baby Bells continue to rule their local regions, while AT&T, Sprint and MCI still dominate long-distance traffic. The whole point of last year's legislation, to encourage the Bahy Bells and the long-distance operators to make inroads into each others' markets has, so far, been a conspicuous failure.

That is finally starting to change. While the Federal Communications Commission has just rejected yet another attempt hy a Baby Bell this time Ameritech - to enter the long-distance market, it was the



of tweaking and a bit more investment in its switching systems, Ameritech should be ahla to resubmit its application and stands a good chance of getting approval before the end of the year. More-over, the FCC's 210-page ruling on this case sets out, for the first time, a detailed "road map" of how to win approval, providing the other Baby Bells with an invaluable blueprint.

Extra competition will, of course, be bed news for the long-distance operators, whose margins ara already only half those of the Baby Bells. But there may be a silver lining. Once they have been allowed into long-distance, the Baby Bells will be In a weaker position to continue frustrating new entrants into their local markets - the source of so much woe for MCI and, hy extension British Telecommunications.

#### Rentokil Initial

Rentokil Initial has an unerring ability to meet its 20 per cent earnings growth target. This time, It was saved by the chancellor of the exchequer's recent tax cuts which nudged it over the threshold. Presumably, it would otherwise have had to cut back on marketing costs to get there. But without BET, last year's acquisition, no amount of cuts would have been enough. Its old pest control business is recording flat profits, and organic sales growth remains low. Management efforts are all concentrated on squeezing costs out of BET. But profits growth from the existing group of businesses must tail off over the next few years - albeit from a high level. Margins should improve next year, hnt Rentokil nicest kind of rejection. With a hit will then have to invest in increas-

cuts output The management's response is "trust me". And as any conglomerate knows, there is always the deal ate knows, there is always the deal.

Rentokil will generate £200m of free cashflow this year, so it could fund another hig acquisition soon enough. But the biometal the content of the content of the biometal the content of the c enough. But the bigger the conglomerate, the bigger the daal required to make an impact. And while Rentokil has the advantage of operating in faster growing markets than, say, Hanson or BTR, it is still hard to find deals which drive growth without reducing the quality or short-term quantity of earnings. It could always buy hack lots of shares - an admirable option if the management cannot find the returns elsewhere. But if it cannot per state find those returns, investors might begin to question Rentokil's pre-

1. 1. 1. 1899 Feb.

والواد الانتاب م

20 8

\*\* · \*\* \*\*\*

ما المالية والمالية والمالية والمالية

10 Styl 200

#### UK power

The latest offering from Britain's power regulator is a real dog's breakfast. Professor Stephen Littlechild is persisting with last month's ill-advised plan to force regional electricity companies (recs) to bear risks on generating costs - 60 per cent of their cost base - over which they have little if any control. But to persuade the recs to accept this not-very-sensible wheeze, he has at -- 1:5' 12:12:13 had in effect to bribe them with ... more lenient price caps. To see why this makes no sense, assume the ... regulator meant what he said last month when he predicted sharp with the same falls in wholesale power prices. If his forecasts then were right, yesterday's more lenient proposals : mean recs are now in line for a lavish windfall gain. Or perhaps not: more likely, the hoped-for price falls will not now happen; in effect, the benefit of the regulator's generocity (at customers' expense) will just be spaffled by the generators. But this is not the only explana. The same

tion for yesterday's sharp rises in .... the generators' share prices. Just as important was the astonishing .change in the regulator's tone - ... where last month he was issuing blood-curdling warnings about the shortage of competition in genera- 24:77 ; is a serie of an instance. tion, now it is back to the usual . : disengaged hand-wringing. Understandahly, the generators' share- = . holders are jubilant. But they .... should not kid themselves. The fact that the regulator can so quickly execute such an unexplained somersault is not terribly reassuring; who knows what he will be saying next month, let alone next year?

# Spotting an opportunity is one thing, turning it into

reality is entirely another. **Coal Products Holdings Limited** Lynx Express Parcels Limited

£34,350,000 Marragement Buy-Out Senior Debt, Working Capita Arranged and Under

£43,700,000 Whitworths Group Senior Debt, Mezzanine and

Scotia Haven Food Group Limited

lving Credit Facilitie

£6,000,000 Senior Debt and

Working Capital Facilities

**Wolff Olins Limited** 

£60,000,000 **British Fuels Group** 

Working Capital Facilities

£30,000,000 Senior Deht and

**GWK Group Limited** 

**DSSD Holdings Limited** £74,000,000 Senior Debt and Working Capital Facilities

NATWEST MARKETS

#### **Europe today** Most of the Meditarranean will have another fine day with blue skies and strong sunshine. But Italy will be

unsettled with scattered thundery downpours. The mountains of northern Spain may have occasional thunder

A large area of high pressure, centred near Poland, will affect the rest of Europe's weather. Most places will be fine and very warm with sunny spells, but the high temperatures will set off some showers and thunderstorms over the Aips and Balkans.

Northern Scandinavia will have rain.

### Five-day forecast

Southern Italy, the Balkans and the mountains of northern Greece will have thundery showers, but the rest of the Mediterranean will stay hot and sunny.

Central and northern Europe will be mainly fine and settled, but northwest Europe and Scandinavia will turn showery by the end of the

### TODAY'S TEMPERATURES

	LAUGUSTO I KINI I	Doiling.
	Celsius	Belfast
Abu Dhabi	Sun 40	Beigrade
Accre	Fair 26	Bertin
Alglers	Fair 30	Bermuda
Amsterdam	Sun 27	Bogota
Athens	Fair 29	Bombay
Atlanta	Fair 31	Brussels
B. Aires	Fair 12	Budapest
B.Ham	Cloudy 25	C.Hagen
Banakok	Cloudy 35	Calro
Barcelona	Far 28	Cape Town

Lufthansa

Caracas Cardifi Cassiblance Chicago Cologne Dakar Dallas Delhi Dubal Dubrovni E-seburg

No other airline flies to more cities in Eastern Europe.

Majorce
Maite
Marchester
Manite
Mahbourne
Medico City
Mismi
Millan
Monacow
Munich
Nalrobi
Naples
Nassau
New York
Nicosia
Osto
Paris
Perith
Prague Fair 27 Fair 32 Sun 32 Fair 24 Fair 23 Fair 23 Fair 27 Fair 27 Cloudy 24 Sun 49 Fair 27 
Sun 34 Sun 31 Fair 29 Fair 23 Pair 28 Fair 15 Shower 26 Fair 33 Cloudy 22 Flair 26 Thunder 26 Fair 26 Thunder 29 Feir 33 Shower 23 Shower 23 Thunder 29 Sun 32 Fair 25 Fair 29

LOW

Shower 30 Cloudy 15 Sun 29 Fair 20 Fair 26 Fair 26 Fair 26 Fair 26



# PANIES & MARKETS

OTHE FINANCIAL TIMES LIMITED 1997

Thursday August 21 1997



#### IN BRIEF

### Telecoms push Mannesmann rise

Stock in Mannesmann, the German industria consiomerate, rose sharply after it posted a 54 per cent interim profits rise, helped by a strong performance in its telecommunications activities. The shares closed up DM42 or over 5 per cent at DM859.5. Page 12

Case against TI given all-clear A case claiming that TI, the UK engineering group, had defrauded the US Air Force by overrging for aircraft components, is expected to be heard in New York next year.

us Corp shares slip as profits fail Shares in News Corporation, Rupert Murdoch's global media group, slipped 10 cents to A\$5.85 after poor film and TV performance and heavy restructuring costs caused a near 30 per cent fall in annual net profits. Page 13

After in Finnish shipbuilding takeover The takeover of the Finnish shipbuilding industry by Norway was completed by Aker Maritime, the offshore engineering company, when it accuired a controlling stake in Finnyards, the partly state-owned shipbuilder.

Rentokil grows by 20% again Rentokil Initial, the UK business services group that iripled in size last year after acquiring RET. said the deal was vindicated by yet. another 20 per cent increase in interim earnings. Interim profits rose 44.2 per cent to £193.9m (\$311.4m). Page 15; Lex, Page 10

Water spooter losses hit Bombardier Bombardier, the Canadian transportation and manufacturing concern, reported a second-quarter profit of C\$87.8m (US\$63m), less than analysis' expectations. It blamed its personal watercraft division, which manufactures the Sea-Doo scooter. Page 13

6 London International

8 Nokia .

13 Pakhoed

4, 0 PowerGen

4 Qualcomm

5 Rentenanstalt

12 Rentokii Initial

14 Sabancı Holding

15 Salomon Brothers

15 Sanwa Bank

12 Shell UK

15 Siemens

15 Skandia

12 TLG

10 Tade

5 Texaco

13 Tokal Kogyo

15 Vodaphone

8 Zurich Insurance

5 Tractabal

14 Wassali ·

13 State Street

11 SPCC.

4. 6 Nomura Securities

16 Ossia Land Private

12 P&O Nedfloyd

13 Prominent Paints

16 Regulien Properties

#### anies in this issue

Aker Maritime	12 Lucent Technologies
Alcetel:	4 Mannesmann .
Alpha Consult	. 3 Mayne Nickless
Arosritecti	.3 McBride
Anglo American	13 Merck
Apoyo	. 3 Mercury Asset Mgemnt
8G	15 Murco
Banco Bilbao Vizcaya	3 NatSteel Properties.
Boy Vereinsbank	16 National Power
Bice	3 Newbridge Networks.
Bombarder	13 News Corporation

1735

T. VELTER

· · · · · · · · · · · · ·

- - ::: <u>103</u>

1000 Miles

1030

14545 No.

- TOTAL

ことにての の理解

recurd

1, 5, 10 Normandy Mining Daito Kogyo

Enersur Ericsson Fannle Mae Fidelity Finnyards First Union Fletcher, Challenge France Distribution General Cable Goldman Sachs

Granges Heijden Logistics **Holland Chemics** Holzmann Hongkong Telecom IDB Holding ING Barings lamgold -

J.P. Morgan Jerdino Flornino Lavi . . **Market Statistics** 

http://www.FT.com ♣/cousi reports service 22.23 FTSE Actuaries share indices 24 16 Foreign exchange Benchmark Govt bonda London shere service Managed funds service

Bond prices and yields Dividencis amounced, UK EMS currency rates New Inti bond leaves Recent Issues, UK 24 US interest rates

# Chief price changes yesterday

Commerzbank	724 +	4.5	Chargears	. 380	+	23
GEA PH	653.0 +	25.7	CCF	334.6		16.9
Hertitz	161.0 +	8.2	Ell Anultains	721	٠	36
Munneymenn	859.5 +	42.0	Geophysique	700	+	43
Porache	2900 +	150	Phone Pinc A	254.7		
Schoolbach Lub	386.0 +	13.7	Technio	760		- 41
HINY YORK (	* .		TOKYO (Yes)		٠	••
	٠.		Rises			
Belling Yeshua	20¼ ÷		Calois Food	679		- 39
Souton Tech	3144 +	-314	Chichibu Food	366		21
Jillin Chargo	344 +	74.	Debug Bank	895		54
Stranghai Petro	381 +	44	Tonen Corp	1200		80
Unfinde Corp	77% +		Talle	1200	Τ.	•
Felle			Acressa Trading	3930	_	320
Sterwood	15% -	1		540	_	70
LOSEDON (Po		٠.	Galden		٣.	· tu
Rivee			. MONG KONG	<b>Larel</b>		
Alliance Rus	. 3514 +	516	River			
Society & Harks	10621/2 +		Benk Essi Asia			
- Eurobeleccon	254 +		Beljing Erin	· 55.25		
Kennia Kerp	115			18.45		
Stanning Group	29% +		Hunderson Land	70.25	+	3.50
Palis	497 1	•	Nacewell Hidge .			
Yeoman	20412		Rew World Day	54.25	+	3.75
	1011/2 -	שו	BANGKOK (B			
TORONTO (C			Riese			
Banker Mari			Manderin Hotel	14.25	_	1.25
Becker MEK C	· 22.25 +	1.75	Havekii ira	27.75		2.50
VOI A	30 +	3	wassel no	2.13	~	

# Rhône-Poulenc to pay \$323m extra for remaining 31.9% stake

Rhone-Poulenc, the French chemicals group, has been forced to raise by about FFr2hn (\$323m) the price it is paying for the minority of US drugs company Rhône-Poulenc Rorer it does not own.

The company said it would offer \$97 a share for 31.9 per cent of RPR compared with an original figure of around \$92. The new price was not as high as many investors in Rhône-Poulenc had feared and the company's shares gained FFr13.30 to FFr254.70. By lunchtime in New York,

RPR's shares had risen \$1 to The increased offer was the

ness opinion" songht from bankers Goldman Sachs and a recommendation by a special committee of members of RPR's board. It has been rec-

sciences business where profit margins and growth rates are both higher and more reliable. It intends to combine RPR with its French-based vaccines chemicals and fibres activities.

Chemical of the US sold Marion Merrell Dow, its drugs division, to Hoechst of Germany. The offer will open within the next five business days, and is conditional on Rhone-

Poulenc owning at least 90 per cent of Rhône-Poulenc Rorer shares at the end of the operation, compared with 68.1 per cent now. Any sharee not acquired in the offer will be and animal and plant health acquired in a second-step products, while spinning off its merger at the same price.

This is excellent news for Rhône-Poulenc," said Philippe Cottet, an analyst at Crédit Lyonnais Securities in Paris. "It was a necessary step in the drugs arm, Sandoz of Switzer- company's strategy." Mr Cot-

result of an independent "fair- land divested its chemicals tet said it remained at the botdivision as Clariant; and Dow tom end of analysts' valuations, which vary between \$95

> and \$110 "Rhône-Poulenc will be paying 20 times prospective earnings [of RPR in 1998], against a US average of 23 or 24 for the sector," he said.

> RPR shares have suffered in recent months from quality problems which led to some costly product recalls. However, Mr Cottet said the financial effects of the recalls would be over by the end of the year. Mr Jean-Renė Fourtou, Rhône-Poulenc chairman, said:

tion in life sciences." Rhône-Poulenc said it was

combining its chemicale and then be floated as a separate company in 1998.

Rhône-Poulenc will also be acquiring a network of biotechnology company alliances that RPR began establishing in

These include RPR Gencell which works in the controversial area of gene therapy - and has 19 partners among independent biotechnology companies and employs 380 people. Rhone-Poulenc's pharmaceuticale division was merged

with US drugs company Rorer "This is an important step in in July 1990 to form RPR a our plan to reinforce our posi-New York Stock Exchangelisted company. Rhone-Poulenc was privatised in Novem-

investment officer By Jane Martinson.

estment Correspondent

SSGA has

new chief

State Street Global Advisers, the third-largest US asset manager, has appointed a London based Englishman as chief investment officer, in a move which emphasises its global expansion plans.

Timothy Harbert, president of SSGA, said the appointment of Alan Brown was part of the group's "commitment to oppor-tunities outside the US mar-

State Street, which dropped Boston from its name earlier this year, aims to increase its asset management of non-US investors from 20 per cent to 50 per cent over the next four years. It manages \$358bn glob-

Its ambition outside the US is part of an industry trend towards globalisation.

Mr Brown, 44, has been credited with the increase in SSGA's London-based assets from \$3bn to \$11bn since joining as regional head three

Mr Brown replaces Peter Stonberg, who will run the group's Active funds of some \$10bn in assets. Mr Harbert denied that this

move was a demotion although Mr Stonberg will now report to Mr Brown. "It is unfortunate that this

might be the outside perception," he said. "It is quite the Mr Stonberg, who is 53, will continue as vice chairman of

the group's investment com-Mr Harbert said that Mr Brown's experience in the computer-driven quantitative method which forms the back-

products was particularly All of SSGA's business was derived from the US until seven years ago when it opened its first international office in London. Since then it has opened another five

bone of SSGA's investment

It announced initiatives in eastern Europe and China this

nated by institutional funds, is keen to increase its business ers such as the group's collaboration in China with Mansion

# Offer price for RPR lifted

and Danny Green in London

acquires

Virginia

brokerage

for \$471m

By John Authers in New York

First Union, the acquisitive US

commercial bank, yesterday

oined the trend for retail

banks to buy brokerages with

mond, Virginia.

ommended by RPR's board. The deal is part of a plan to turn Rhône-Poulenc from a chemicals company into a life-

The re-organisation follows similar steps by competitors. In the past five years ICI of the

By Daniel Green in London

company Pharmacia & Upjohn has changed its chairman in the latest of a series of board level and company-wide changes

chairman of the board has been replaced by Sören Gyll, The move follows the

a \$471m acquisition of Wheat First Butcher Singer of Rich-Hassan as new chief executive. The deal is intended to give First Union the power to offer initial public offerings to its cornorate clients. It follows eeveral similar acquisitions since the Federal Reserve this year lifted the proportion of earnings commercial banks

could make from securities uring plan was introduced". It continues a period of intense activity for the bank, the sixth largest in the US with total assets of \$143bn, which last month bought Sigpreviously.

in a stock swap valued at It also creates the eighth largest retail brokerage chain in the US and adds further bulk to First Union's fund

management business. Wheat First is employeeowned, and operates 126 offices in 19 states, mostly in the south-east. It earned \$32m in the 12 months to March this year, on total revenues of \$494m, and expects to raise profits to about \$12m in the current year. This would value the company on a multi-

ple of about 11 times earnings. As is becoming typical with auch deals, First Union has also set up a fund of restricted stock, worth \$75m, which will be used to retain Wheat First employees over the next three

First Union said the deal would immediately enhance earnings, and it expected to generate extra revenue for both its equity and debt products from cross-selling to the 12 two companies' existing clients. Wall Street's reaction was favourable, with First Union's shares gaining \$2 to \$47% in early trading.

Edward Crutchfield, First Union's chief executive, said: "With the rapid consolidation of the financial services industry, offering equity underwrit-ing to our clients now enables us to gain a critical competitive edge in this dynamic

Wheat First said it could have survived as an independent operator but "wanted to do more than survive".

First Union had initially ittempted to grow its capital markets operation organically by recruiting individuals. But Ken Thompson, head of capital markets, said: "In the past few months the landscape sur-rounding us has changed dramatically. Since April five institutions have accelerated the development of their equity capabilities by acquisitions. This includes three of the domestic banks with

approved equity powers." Mr Thompson added: "At the same time, our client base has been telling us they expect to have those equity capabilities sooner rather than later. The bottom line was that if we could not offer them the full range of capital market telephone services, with the ers by the end of next Februforced to lose some of our

clients." Analysts expect several other large commercial banks to buy regional brokerages. | sive and changing market".

# First Union Ekberg is replaced at P&U

and Greg Mctvor in Stockholm

Troubled Swedish-US drugs

Jan Ekberg, non-executive former president and chief executive of Volvo, the Swedish automotive company.

appointment in May of Fred William LaMothe, chairman of the company's nominating and corporate governance committee, said Mr Ekberg had "advised the board at the time of Mr Hassan's appointment that he intended to step down from the chairmanship once the new CEO's restruct-

Mr Ekberg, 61, had been chairman of the merged drugs group eince its formation in 1995, having been chief executive of Sweden's Pharmacia

base in Stockholm while other executives moved to the com- the company, centralising Windsor, west of London.

following the departure of chief executive John Zabriskie after a series of profits warnings. It reported a 34 per cent fall in net profits to \$178m for cordia, the since-disbanded



Soren Gyll, formerly Volvo chairman, is to become non-executive chairman of the board at P&U

tion to step back from day to lowing Mr Hassan's appoint-day control by making his ment. Mr Hassan has since reorganised the structure of

pany's new headquarters in power at the Windsor office. The appointment of Mr Gyll, The company'e troubles 56, to succeed Mr Ekberg is not have continued since January, the first time the two men's careers have crossed.

Mr Ekberg was Mr Gyll's deputy between 1987 and 1990 when the latter headed Pro-

executive of Pharmacia in 1990, and succeeded Mr Gyll at Procordia in 1992. Mr Gyll had expected to take

Mr Ekberg was left to run a left in April. slimmed down pharmaceuticals business after Volvo third-quarter dividend of \$0.27 | House, a brokerage and money inherited Procordia's food a share.

the second quarter of 1997. Mr pharmacentical and food groop operations as part of the Ekberg resumed the role of then controlled by the Swedish state's privatisation of its non-executive chairman fol- government and Volvo. Mr Ekberg took over as chief merger broke down, Mr Gyll opted to dispose all non-automotive holdings, including Volvo's stake in Pharmacia.

Volvo sold two-thirds of its charge of Volvo's non-automo- holding in P&U last year, but tive businesses after the kept a 4 per cent stake Mr from individual investors. This planned merger with Renault Gyll has represented the com-of France. Gyll has represented the com-pany on P&U'e board since he partnerships with local provid-

Separately, P&U declared a

# Bezeq set to cut 1,800 jobs under restructure plan

Israel's telecom network warns \$399m revamp will put it in red

By Judy Dempsey

Bezeq, Israel's state-controlled telecommunications network, yesterday announced a radical restructuring involving 1,800 job cuts - 20 per cent of the workforce - and a shake-out of

the company into the red this year. The shares dropped 3.75 per cent on the Tel Aviv stock market, from Shk10.30 to Shk9.91. "It is difficult to say how

large the net loss will be," said

Société Générale Equities international. "But it is inevitable as much of the structur- in a deal which provoked ing in the long term is very worthwhile." The plan, which has to be approved by the finance ministry, will be phased in between now and mid-1998, giving

petition in 1999. Bezeq reported net profits of per cent of Bezeq. Shk658m last year on revenues come under increasing pres-

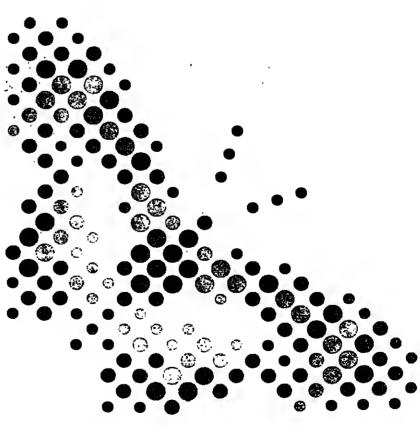
the company. This is a step in the right direction as the company prepares for domestic competition," Mr Raviv said.

Bezeq will finance the restructuring in two ways. About 80 per cent of proceeds from the planned stock market sale of 12.5 per cent of the com-Bezeq warned thet the costs pany this year will be allo-of the restructuring, about cated to Bezeq. At current Shkl.4bn (\$399m), would push market prices, this could amount to Shk850m. In addition, Bezeq will issoe domestic bonds worth Shk250m.

The government'e planned secondary offering will reduce its stake from about 67 per cent to 54-55 per cent. Last Ynval Raviv, analyst at month, it sold a 12.5 per cent holding to Merrill Lynch, the US investment bank, for \$250m industrial action.

Unions said that in spite of promises by the previous government, none of the proceeds from the placement were returned to the company or Bezeq time to complete the allocated to the pension or revamp before the domestic employes share schemes. telecoms market opens to com- Cable and Wireless, the UK telecoms group, holds about 10

Msrrill Lynch bought the of Shk8.28hn. However, it has shares for Shk9.79 and has the option of selling 10 per cent of sure after the introduction of the company back to the govcompetition in international ernment if it cannot find buyoptions today, we would be cost of calls falling more than ary. Merrill Lynch, which 70 per cent. Ami Erel, chief would not comment on Bezeq's executive officer, said Bezeq restructuring plans, has had to "adjust to the condi- already placed 2 per cent of the tions of a competitive, aggres- shares with institutional inves-



# Introducing a brand new chemical symbol.

For more information oo the new Ciba Specialty Chemicals fax +41 61 636 3019 or visit our Website at http://www.cibasc.com



# Telecoms leads surge at Mannesmann

By Andrew Fisher in Frankfurt

Shares in Mannesmann, the better than expected. German industrial conglomerate. announced a 54 per cent rise in cent. first-half profits, helped by a strong performance in its telecommunications activities.

per cent higher at DM17.74bn. Net growth in automotive products. income rose 54 per cent to

Analysts said the figures, also

tubes and trading division, were

The shares closed DM42 higher rose sharply yesterday after it at DM859.5. up more than 5 per

Mannesmann said the improved results confirmed its earlier forecast of higher profits for the full The company said pre-tax operaty year. It still expected 8 substantial ing profits jumped 93 per cent to earnings improvement on the engi-DM653m (\$356m), with turnover 14 neering side and further profits New orders across the group rose

12 per cent to DM20.65bn. The company said it was more

helped by a turnround in its steel optimistic on telecommunications network business half-owned by a will, with the purchase of a 15 per as a result of higher earnings at consortium led by Mannesman and Mannesmann D2, Germany's larg- half-owned by Deutsche Bahn, the est mobile telephone network. German rail operator, won a big Tubes and associated trading activ- order from the Karstadt departities, which returned to profit, ment store group in May to set up sharply. should also do better than expec- a nationwide communications net-

> Telecommunications was by far the biggest contributor to operat- investment volume of DM3.8bn - a market conditions and reduced ing profits, climbing 51 per cent to big increase on the DM1.07bn DM513m. At the end of June, the D2 network had 2.8m customers. having grown by an average of 80,000 net new customers a month.

The group said 82 per cent of an invested in the first half of 1996 was related to telecommunications.

The first-time consolidation of Mannesmann Arcor accounted for DM153m profit compared with Mannesmann Arcor, the fixed- DM1.8bn in assets, including good- DM125m a year ago.

cent stake in the French Cegetel telecoms operation costing more than DM700m. Capital spending on the automotive side also rose

The group said tubes and trading went from a DM49m loss to a DM51m profit as a result of better losses in Brazil

Engineering turned in a DM4m profit against a DM67m loss, while the antomotive arm made a

# Conglomerates rule the roost in Turkey

The large holding companies such as Sabancı and Koç show few signs of losing their dominance

core industries that the five hrothers who run Turkey's

conglomerate may be ending companies do not henefit the in the mature markets of the west, but not in Turkey. Last month, Sabancı Holding successfully completed an initial public offering in Turkey \$207m by selling 11.5 per cent of its equity.

institution that is also Turkev's higgest private sector hank, says that far from retrenching, the group, with its seven core industries and 49 operating companies, will continue spreading.

says: "We are expanding our nies, suspecting owners of tyre company and we had moving profits out of listed the ground-breaking cere- companies to private ones. mony in June for our joint Banks are particularly vulventure with Hoechst [the nerable, they argue, At the German chemicals groupl. We have signed a joint venture with [foods group] Dan- could be at risk should loans one of France,"

Size is clearly more important than focus. It provides bad. clout in the marketplace. influence in the corridors of power and economies of scale that churn out bigger fatally weakened now that and bigger profits. Titanic Turkey has opened up to bolding companies straddle international competition. almost every market.

them all with its 108 companies operating in 10 core sectors, produces one-third of Turkey's cars, makes most part-owned by Fiat, is sufferof its fridges and televisions ing from weak management and owns the biggest super- and heavy import competimarket chain, Its 1996 sales tion. Yet Arcelik, its widely to 6.5 per cent of Turkey's lary, has increased market able brand loyalty of Turkgross domestic product.

Aker Maritime, the offshore preneur

in Finnyards, the partly water locations.

gian takeover of Finland's expanding globally. This

shipbuilding industry by reflected a surge in oil and

land's big domestically forestry group, Optioni, an

sales of FM1.3hn (\$237m), hined 40 per cent stake in a

The move into shipbuild- south-west Finland. The

ing marks a new strategy for other yard will be leased by

Aker Maritime, which is Aker from the three current

To the Holders of

SHEARSON LEHMAN CMO, INC.

Series F, Class F-1 Floating Rate Bonds

Due February 20, 2018

Pursuant to the Indenture dated as of February 1, 1985

between Shearsoo Lehman CMO, Inc. as Issuer and

Texas Commerce Bank as Trustee, notice is hereby

given that the interest rate applicable to the above Bonds for the interest period August 20, 1997 through

engineering company, yes-

terday completed a Norwe-

acquiring a controlling stake

Finnyards, the last of Fin-

owned shipbuilders follow-

ing the purchase by Nor-

way's Kvaerner of Masa-

Yards in 1990, has been loss-

incurred accumulated losses

of ahout FM600m between

Aker Maritime did not dis-

action, saying only that it

cial exposure to existing Fin-

close the value of the trans- years.

three-quarters owned hy owners.

1994 and 1996.

nyards contracts.

The company, with annual

making for several years.

state-owned shipbuilder.

Sahancı Holding controls so many subsidiaries and has so many group, beadquartered in an Ottoman palace overlooking the Bospborus - of pursuing second-higgest conglomerate their own political agenda. sometimes lose count of Economists say they distort competition. Some stock The era of the diversified market investors say holding operating companies.

Although most groups have devolved decision making to professional managers, family members are still and overseas that raised in control. Managers and investors often complain about meddling. Tangled Erol Sabanci, who runs cross-sbareholdings confuse Akhank, the family-owned accountability and management control, particularly since groups often list their operating companies on the Istanbul stock exchange, selling small stakes to the public.

Analysts worry about the Beaming with pride, he relationship between compaheart of most conglomerates lies a powerful bank, but it or investments made on easy terms to sister companies go

Some believe that companies which grew strong behind trade barriers will be Turkey and the European nents. Roc Holding, the biggest of Union abolished tariffs on industrial products under their 1996 customs union.

Koç's car company Tofaş, share since 1996. It controls ish consumers and an biggest group, has sold as well as finance. Nevertheless, holding com- nearly two-thirds of the con- understanding of a volatile unsuccessful businesses to Although these big compapanies have their critics. Pol- sumer durables market and economy - inflation is more concentrate on finance, nies grab most of the atten-

Aker unit in Finnish

shipbuilding takeover

Aker RGl, the Norwegian

investment group headed by

Kjell inge Rökke, the entre-

offshore industry was

gas exploration in new, deep-

UPM Kymmene, the Finnish

investment company, and

the Finnish government.

They have stakes, respec-

tively, of 48 per cent. 39 per

These will retain a com-

new company in which Aker

will assume a 60 per cent interest and an obligation to

take full control within three

The deal covers all of Fin-

nyards' 1,100 employees but

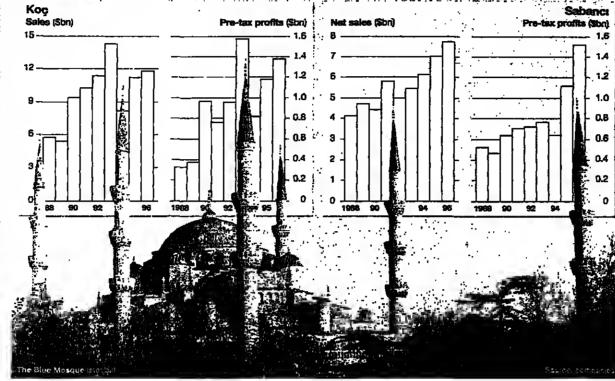
only one of its two produc-

tion sites, at Rauma in

cent and 13 per cent.

Finnyards is owned by

Big is beautiful



investment bank, expects earnings growth of 9 per

customs union has actu-Lally belped, by lowering the cost of imported compo-

relies heavily on joint ventures with foreign multinationals. The result is a bewildering range of alliances with the likes of Toyota, Philip Morris and Danone. A stranglehold over distriof \$11.77bn were equivalent praised white goods subsid- button channels, the remark-

keen to exploit Finnyards'

facilities for producing drill

ships and production vessel

try. Finnyards is chiefly

known as a supplier of tradi-

tional commercial-use ships.

Aker Maritime said the

acquisition would enable it

to have "better control of the

value chain" in its produc-

It said Its North Sea activi-

ties had at times been hit by

delays and quality problems

who offshore vessels sup-

plied hy shipyards in east

The group indicated it

would be pumping in capital

to upgrade Finnyards' Rauma plant, although it

was not clear how mucb. It

also said a reduction in the

Finnyards workforce might

Aker Maritime said syn-

ergy benefits could be

achieved between Finnyards

and Aker Maritime's three

Finnish engineering and

construction subsidiaries.

tion of floating platforms.

It said shipbuilding for the hulls for the offshore indus-

than 80 per cent - are criti- which already provides more cal advantages in protecting than two-thirds of revenues these giants from serious outside competition.

The public sector's col-

nstead of hurting, the lapse makes privatisation, resisted for decades by politicians, inevitable. The bold-ing companies, with Koc and Sabancı at the forefront, are Sabancı, in particular, preparing to expand into public services. Koc Holding. which listed in Istanbul in 1986, is considering a large secondary offering next year to replenish its coffers in anticipation.

Some conglomerates are

**Finance** 

chief for

life group

By William Hall in Zurich

executive with the Zurich

Rentenanstalt/Swiss Life.

Switzerland's biggest life

insurer, as head of finance.

end of 1997 from Andreas

Donatsch, who is retiring

being demntualised, is Swit-

zerland's third-higgest

insurance company with a

stock market capitalisation

of more than SFr10bn

Mr Morax, who worked for J. P. Morgan for a

decade, joined Zurich in

1998 on the investment side

and for the last few months

has been chief executive and

chief investment officer of

Zurich's European asset

One of his first tasks will

be to introduce the company to international investors. Last December, Znrich

hired Markus Rohrbasser, a

former chief executive of **UBS's North American** 

operations, to be its new

Mr Morax's departure

chief financial officer.

management business.

for health reasons.

(\$6.6hn).

He will take over at the

Insurance group, is joining

**Swiss** 

through tha group's control of Yapi Kredi Bankası, the country's premier retail

Mehmet Gur, general co-ordinator, says the company - wbolly owned hy tha Karamehmet family - will only enter markets where there is at least a glimmer of synergy. Yet Cukurova is not taking specialisation too far. In a country as umpredictable as Turkey, it makes diversification - Çukurova is watching their weight, in commercial vehicles, Cukurova, Turkey's third paper and mobile telephones

of smaller groups. Ihlas Holding, owned by a devout Moslem, controls 33 companies involved in car production, bealthcare, finance, home appliances, and soft

drinks. The day will come when Turkey's economy settles down, its capital markets become more efficient at allocating capital than the bosses of conglomerates and competition has broken down cartels and monopolies. But few captains of industry think that time is yet at hand. The holding company's days are far from

John Barham

# Wella recovery gains momentum

By Graham Bowley in Frankfurt

The recovery at Wella, the German halr care group, gained momentum, bolstered by the new focus on its core hair-care and perfume husi-

Wella suffered a big drop in profits in 1995 after its international expansion ran into difficulties, prompting restructuring under new management led by Jörg von Rentenanstalt, which is Craushaar, chairman.

But yesterday it revealed a 23.3 per cent rise in pre-tax profits to DM75m (\$42m) in the first half of this year. Sales increased 11.2 per cent to DM202bn.

Wella raised its forecast for sales growth in 1997 to more than 7 per cent. It said pre-tax earnings would However, analysts warned against over-optimism about

Wella.

the pace of recovery at Wella. 13.3 per cent. Sales of scents The company has mada a and cosmetics rose 10.5 per

national markets such as the US and Japan after difficulties in markets such as Russia. At the same time, it has jettisoned parts of its smetics husiness. "This is a positive developcosmetics husine ment but the company is

products and perfumes, focusing on just a few inter-

still far below where it was in 1994," said Ingbert Faust. analyst at UBS in Frankfurt. Mr Faust said Wella was competing in a market against strong rivals and against a background of declining demand.

Wella said earnings were depressed by the heavy investment in a new sales atructure for the US and marketing costs in the UK. which would not recur in the second half of this year. Sales of the professional

hair care division, Wella'a biggest husiness segment. increased 12.4 per cent. Retail hair-care sales rose renewed push into hair-care cent, it said.

### EUROPEAN NEWS DIGEST

# Skandia doubles interim profits

Strong growth in unit-linked and life assurance premiums helped Skandia, Sweden's largest insurer, to double firsthalf operating profits from SKr2bn to SKr4bn (\$496m). The total of premiums written rose from SKr29.1bn to SKr37.3bn (\$4.6bn), an improvement due almost entirely to life and unit linked assurance activities.

Non-life insurance and reinsurance premiums edged up from SKr12.6bn to SKr12.8bn, while life insurance and unit-linked (AFS) premiums surged 49 per cent, from SKr16.4bn to SKr24.5bn. Skandia said it had strengthened its position as the fourth-largest global supplier of life and unit-linked insurance. In non-life insurance and reinsurance it had held its market shares.

The company, which has signalled it might partially float the AFS unit in the next two or three years, said the division's growth was strongest in Sweden, with a 92 per cent increase. AFS grew by 35 per cent in the US and by 18 per cent in the UK. Skandia's shares closed up SKr3.50 at SKr336. The stock slumped to SKr184 during Skandia's failed bid last year for Stadshypotek, the Swedish mortgage lender. But this year it has been the bourse's star performer, rising 74 per cent since the start of 1997.

Greg McIvor, Stockholm

#### ALUMINIUM

### High volume lifts Gränges

Higher volume, improved margins and a high capacity utilisation at most of its plants helped Gränges, the aluminium products group spun off in March by Electrolux of Sweden, double net income on a pro-forma basis to SKr155.9m (\$19.5m), equivalent to SKr4.10 a share compared with SKr2.10.

However, after the allocation of SKr146m to a reserve to cover the costs of a future liquidation of Granges Metal, the aluminium smelting business, actual net income was reduced to SKr51m or SKr1.40 a share. All the group operations, with the exception of Gränges Metal, reported higher six-month earnings. Group sales rose 19 per cent to SKr4.984bn. Net cash flow was SKr177m and Granges' gearing fell from 94 to 73 per cent.

Kenneth Gooding, Mining Correspondent

#### ■ PHARMACEUTICALS

■ GERMAN BANKING

### Merck sees double-digit growth

Merck, the German pharmaceuticals group, yesterday reported a rise in first-half net profit from DM242m to DM270m (\$150m), and said it expected strong earnings in the second half.

"The company expects a double-digit rise in worldwide sales and favourable earnings in the second half of the year in current economic conditions," Merck said. In the first half, sales rose 13.7 per cent to DM3.91bn,

Merck said foreign sales accounted for over 80 per cent of sales. By region, overall sales in Europe climbed 6 per cent, while German sales fell 4 per cent. North American sales jumped 29 per cent; in Asia they were ahead 18 per cent. Sales in Latin America grew by 25 per cent. AP-DJ, Darmstadt

### DG Bank ahead 49% halfway

DG Bank, the umbrella bank for the German co-operative banking network, raised operating profits after risk provisions by 49 per cent to DM397m (\$220m) in the first balf of this year. The result reflected higher profits on lending and commission business, as well as a sharp drop in loan

Net interest income was 6 per cent higher at DM1.7bn, with net commission income advancing by 28 per cent to DM177m as a result of buoyant capital markets and new issue business. Trading profits rose 15 per cent to DM92m. Costs were 4 per cent higher at DM1.41bn, while risk pro-

Andrew Fisher, Frankfurt

### **■ CONSTRUCTION**

### Holzmann warns of operating loss

Philip Holzmann, the German construction group, warned yesterday it expected an operating loss in 1997, but said it would take measures to ensure it breaks even on an aftertax basis. The group said it was also the case in 1996, when Holzmann sold off real-estate boldings to compensate for an operating loss. The Frankfurt-based company said its first-half construction revenues rose from DM5.9bn to DM6.5bn (\$3.5bn), while new orders fell to

**■ ISRAEL** 

### Cellcom growth boosts DIC

Discount investment Corporation, the investment company and subsidiary of IDB Holding, Israel's largest privately-owned holding company, yesterday reported a 25.8 per cent rise in net profits for the first six months of the year following strong growth in Cellcom, the cellular telephone network, and smaller losses in Scitex, its computerised imaging systems division.

Net income rose from Shk110.3m during the first half of 1996 to Shk136.6m (\$39m) over the same period this year. Revenues increased Shk35m, from Shk156.4m to Shk191.4m. Strongest growth was in Cellcom in which DIC holds a 12.5 per cent stake.

Cellcom doubled its subscribers over the last year and reported a surge in operating profits, from Shk13m in the first half of 1996 to Shk172m. Meanwhile Scitex, which manufactures visual informa-

tion communications products, returned to the hlack during this year's second quarter as a restructuring programme to cut costs took effect. It made a net profit of \$157,000 against a \$5m loss over the same period last year. Judy Dempsey, Jerusalem

# **P&O** Nedlloyd returns to profit

### By Gordon Cramb

P&O NedDoyd, the container

shipping line formed at the end of last year, returned a profit in the second quarter, and its UK and Dutch parents said yesterday that integration of the operations was "continuing ahead of schedule".

Operating profits of \$36m were offset by \$25m charged to merger costs and a \$10m interest bill. In the first three months of its existence the unit lost \$31m before deductions of \$27m. The groups said the perfor-

mance at the operating level would have achieved in April-June 1996.

was \$20m better than they

Volume growth was strong

were sailing at about 90 per cent of capacity, with current bookings indicating this would continue in the current quarter. New tonnage is due to come into use next spring.

some improvement. Ships

Revenues reached \$882m in a seasonally busy three months and a decline in rates continued to slow. The first quarter brought in

\$817m.

Rotterdam-based NedBoyd. which also has interests in land transport and aviation, gained a Fl 23m (\$11.1m) paid off. share of profits from the new line to report net earnings from ordinary activities of Fl 14m, down from a restated

Fl 21m a year earlier. in Europe-Asia trade, while 1996 period were six times the market leader in North.

outcome down sharply from distribution. Fl 291m to Fl 57m. A Fl 45m credit in the latest quarter largely reflected

other main routes showed larger, leaving attributable American chamicals

the placement of its 40 per cent interest in Smit Internationale, a marine services company. Nedlloyd said its outlook for the full year remained

 Pakhoed, the Dutch international distributor of oil and chemicals, achieved first-half net profits of Fl 103.8m, an increase of 76

per cent, as restructuring

Sales of Fl 3.11bn were nearly three times the Fl 1.07bn posted a year reflecting asrlier, acquisitions such as the Extraordinary gains in the \$500m takeover of Univar,

• Holland Chemical Inter-

national, another distributor of chemical products, is to seek an Amsterdam listing by the end of the year, issuing an unspecified mixture of new and existing shares. NPM, the Dutch venture capital group, owns 14 per

held by staff. The flotation is being led by ABN Amro Rothschild, while MeesPierson is advising the company.



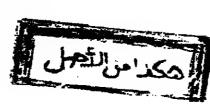
November 19, 1997 as determined in accordance with the applicable provisions of the Indenture, is 6.375% per annum. Amount of interest payable is U.S. \$13.1083570963 per U.S. \$10,000 principal amount. Notice is hereby given that for the Interest Period 19th August, 1997 to 19th November, 1997, the Hotes will carry a Rure of Interest of 6,23828 per cent, per annum. The Interest Amount per U.S \$250,000 Note will be U.S. \$3,985,57 payable on SHEARSON LEHMAN CMO, INC. Local on the Learning Stock Endring



means that Dennis Ferro, an

American who had been esponsible for Znrich's European equity husiness, will take over as chief executive of Zurich Investment Management in Europe. In a separate move, Zurich has hired Dirk Lohmann, a member of the executive board of management of Hannover Re, to be the new chief executive of Zurich Re and Agrippina, two of the gronp's reinsurance businesses in Europe. It is a new position and Mr Lohmann

#### will report to Stepben Gluckstern, the overall bead of reinsurance. Mr Donatsch will continue to carry out various mandates for the company after his retirement.



- - × 3 والمراجع والمسار

Bombardie

water sc

ئې<del>و</del> بريو د

. . . or . <sup>1</sup>√

g server

energia Telephonesis Telephonesis

. - -----

· -- 人体学

-: "-2" 3:

. 85

ر مورد کی کی ا

100

nersur

· 2 60 5 175441 NA 1000 . . . .

CO

Hard M THE PROPERTY OF

44 - 144 i

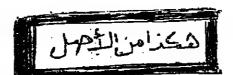
> ---- TALL : 30 da 40 300 and continue

THE INTE THE THE SE THE NAME OF at Physical Confession \*\* \* \* \*\*\* The same of the sa FOR SMEAN THE STATE OF

Life to No. of London ---Ka : WA CHES 一 一 -

Greeky E B

200



lifts Iamgold

in Mali, which started commercial production in March,

enabled lamgold, the Toronto listed company that discov

profit was US\$2.2m, or 8 cents a share, against a \$1m net

loss, or 2 cents, in the second quarter. The first half loss

was \$400,000, or 1 cent, against a loss of \$1.7m, or 3 cents.

lamgold said Sadiola, 50 per cent owned and operated

by its partner, Anglo American Corporation of South

Africa. was on target to produce 313,000 ounces of gold

between March and December this year at a total cash

operating cost of only \$169 an ounce. In the March-June period, Sadiola produced 115,398 ounces at a total cash

cost of \$148 an ounce. The average gold price realised in

Iamgold ended the quarter with \$28.6m cash putting it in a good position to take advantage of exploration oppor

separate joint ventures with Anglo and Ashanti Goldfields of Ghana, and is exploring in five West African countries

Kenneth Gooding, Mining Correspondent

tunities, said Todd Bruce, president. The company has

Newbridge Networks advances

Newbridge Networks, the Canadian networking products

and systems manufacturer, has reported net earnings of

C\$64.4m (US\$46.23m) on sales reveoues of C\$434.7m for the company's first quarter, ending August 3. The results were in line with estimates given by the company last

month. Newbridge had earnings of C\$60.8m on sales of

Newbridge had warned that profit growth would be

lower than expected due to a difficult transition with UB

Networks, which it acquired in December 1997 for about

US\$100m. The company, however, said it remained confi-

dent its acquisition would enable the company to provide stronger end-to-eod solutions and service. Total order

intake for the quarter was up more than 60 per cent over

CBOT set for Dow Jones launch

The Chicago Board of Trade, the largest futures exchange,

Scott Morrison, Vancouver

last year, as Newbridge reported a strong performance

from its wide area network packet business. Sales of

frame relay capabilities also increased sharply in the

C\$286m during the same quarter last year.

this period was \$342 an ounce.

as well as in South America.

FUTURES TRADING

NETWORKING

ered the deposit, to report its first quarterly profit. Net

# COMPANIES AND FINANCE: INTERNATIONAL

# News Corp shares slip as profits fall

By Elizabeth Robinson in Sydney

Rupert Murdoch's global media group, slipped 10 cents yesterday to A\$5.85 ted. after poor film and TV performance and heavy independence Day and restructuring costs caused a near 30 per cent fall in ammuel net profits.

just 2.5 per cent higher than of the larger films". last year, as flops by the bigdicted 20 per cent growth.

A\$575m abnormal loss, mainly relating to its HarperCollins US book publishing unit. The loss cut group net profits to A\$720m. Earlier this month News Corp announced it would ing costs expected to total take a US\$270m charge after

failing to find a partner for

the loss-making unit.

The film division reported poor results, with a fourthquarter loss of A\$140m leav-Shares in News Corporation, ing the full-year profits 8 per cent lower at A\$133m, worse than the market had expec-

Successful titles such as Romeo and Juliet were offset principally by the two flops, which were released in the Profits before abnormal fourth quarter. Naws Corp items in the year to June said it was "disappointed were A\$1.29bn (US\$953m), with the results of a couple

budget films Speed 2 and the films increased the pressure for success on the next Thanksgiving boliday in late The company announced a November, of Titonic.

.The co-production with cent. Paramount - based on the 1912 sinking of the "unsinka-ble" liner - is believed to be enues 5 per cent higher on running well over budget stronger advertising. with production and marketwell over \$200m, the biggest

been delayed - it was supposed to be launched in the peak July holiday season.

Meanwhile, lower results at Fox Broadcasting left net income from television only 4 per cent ahead at A\$573m.

Although the Fox Network is improving its ratings, other cable channels, including news and sports services, are still in the expensiva launch stage and News Corp has been paying cable operators substantial inducements to increase the number of The poor performance of subscribers to Fox program-

Volcano belped keep earn- sure for success on the next News Corp's share of pre-ings below expectations. big-budget release, due to tax profits at BSkyB, the UK Last year Mr Murdoch pre- coincide with the US satellite venture, rose 22 per News Corp's share of pre cent to £127m (US\$203m), after revenues rose 26 per

But UK newspapers gener

A slow economy in the domestic Australian market however, left newspaper cir-

### in Hollywood history. Tha culations flat and operating film's release has already income only slightly ahead. Bombardier hit by drop

By Scott Morrison in Vancouver .

of water scooters hit profits transport and manufactur-

profits of C\$87.8m (US\$63m) of C\$1.91bn in the same unsafe.

Tuesday's opening. The year, Mr Beaudoin said. shares stood at C\$33.40 just over a week ago.

in water scooter sales

company's personal watercraft division, which makes It reported second-quarter the Sea-Doo water scooter.

than analysts had expected. a series of serious accidents ings of C\$90.3m on revenues tha high-speed craft is craft division.

Bombardier's B-class sub- intends to reduce production log of C\$12.5bn, reflecting a ordinate shares fell on tha of the scooter. This would big increase in orders for news to C\$27.40 in midday result in a C\$70m drop in net aerospace and transport trading, down C\$2.10 from earnings for the current products.

Rumours that Bombardier

was planning to cot produc-Falling summer-season sales Laurent Beandoin, chief tion of Sea-Doos hit Bombarexecutive, hlamed the disap- dier's shares on Mooday, at Bombardier, the Canadian pointing performance on the whan they fell C\$2.40 to close at C\$29.95 in Montreal.

sales adversely affected the US sales of the Sea-Doo fell company's earnings because on sales of C\$1.96bn, less sharply in June and July as the Sea-Doo achieves larger profit margins than the com-The company posted earn- created the perception that pany's higger-volume air-

The company also Tha company said it reported a record order-back-

# The decline in Sea-Doo

and the Chicago Board Options Exchange yesterday set October 6 as the launch date for products based on the Dow Jones Industrial Average, The CBOT will start trading futures and options-related futures on the index on that date, while the CBBOE will list cash-settled options and other products.

Dow Jones announced two months ago that it would be licensing its indices to the two exchanges for trading for Nikki Tait, Chicago

#### ENERGY

### Venezuelan gas liberalisation

Venezuela is planning to issue a decree opening the natural gas sector to private investment this year as a transition phase before a new natural gas law is drawn up, Evanan Romero, vice-minister for energy and mines, said

The liberalisation would open the door to about \$4bn-\$5bn in investment in transmission and distribution systems over five years and could add another 4,000km of new natural gas lines to the country's existing 5,000km

"We sense there is a lot of investor interest in the gas sector - transmission and distribution - and we would like to establish the legal and fiscal framework, trying to make some sense out of different pieces of legislation that exist on the sector," he said. The decree would be prepared by the end of September, and would then go to the government's legal advisers and ministerial council before it is promulgated.

Comments and press releases about international companies coverage can be sent by e-mail to international.companies@ft.com

# **Enersur to invest \$500m**

By Sally Bowen in Lima . .

Enersur, the Peruvian ment Bank loan. the next 20 years. affiliate of Tractebel, the Bel- The plants are designed to Enersur's first plant will bined generating capacity of way. some 500MW.

in charge of building the tion operations of Asarco-ment of Peru's buge Camisea plants, the first of which owned Southern Peru Con-natural gas reserves. should be operating by early per Corporation (SPCC), pro-

of the Enersur board, said deal. Tractebel would finance 30 per cent of the total, with by Tractebel to provide the customers.

apan's construction

industry has for some

time appeared remark-

ably resilient in the face of

the plunging asset prices

that have beset the economy

in recent years. Rumours

have abounded of impending

failure, only to be quashed

by the companies involved

and their seemingly support-

Construction companies, it

was said, would not he

allowed to fail for fear of the

social imrest. The construc-

cent of Japan'a workforce.

sands of job losses.

ive main banks.

e mining invest several hus structing three coal-firad ments and expansions of probably from Colombia. thermal plants with com- existing mines are under

Hitachi, of Japan, will be took over the energy genera-studying full-scale developducer of two-thirds of all formed a consortium with

the remainder coming from energy SPCC requires for its an International Develop fast-expanding operations for

gian power group, is to serve the power-hungry cost \$160m and generate invest \$500m in Peru over southern area of Peru, where 220MW. The coal to fuel it . The announcement may

prove a blow to the Shell-Earlier this year, Tractebel Mobil consortium which is Sheli and Mobil recently

Yves Jourdain, president Peru's copper, in a \$42m Intergen, of the US, to build a gas-fired power plant It involved a commitment aimed at the same potential

Japan's contractors on shaky ground

Banks are becoming more selective about which companies they support

Hard times for Japanese construction companies

# INTERNATIONAL NEWS DIGEST Mali gold mine

### **Golden Hope Plantations Berhad**

(Company No.29992-U)

Tun Ismail bin Mohamed Ali (Chairman) Abdul Rahman bin Ramii Zain Azahari bin Zamal Abidin Mohammad bin Abdallah Dr. Ng Chong Kin Danuk Maznah binti Abdul Hamk

Washington SyCip Dato' Abd. Wahah bin Maskan Megat Dzianddin bin Megat Ma

Registered Office: 13th Floor Moteura PNB 50400 Kuala Lumpur

Golden Hope

PRELIMINARY REPORT FOR THE YEAR ENDED 30TH JUNE, 1997

		Group	Company					
	1997 RM°000	1996 RM'000	%	1997 RM*000	1996 RM'000	4		
Turnover	1,511,800	1,119,765	35	213,317	217,300	(2)		
lavestment and other income	35,983	48,662	(28)	177,099	153,270	16		
Operating profit	375,570	307,053	22	209,413	179,427	17		
Associated Companies	(7801	8,496	(109)	-	_	-		
Exceptional items (See Note I]	35,597	21,130	68		219 (	1001		
Profit before taxation (See Note 2]	410,387	336,679	22	209,413	179,646	17		
Taxation (See Note 3)	114,421	92,329	(24)	61,884	51 <u>,959</u>	(19)		
Profit after taxation	295,966	244,350	21	147,529	127,687	16		
Minority interests	16,950	13.927	(22)					
Profit attributable to sharebolders	279,016	230,423	21	147,529	127,687	16		
Dividends	143,552	112,308	(28)	143,552	112,308	(28)		
Retained for the year	135,464	118,115	15	3,977	15,379	<u>(74)</u>		
NOTES								

11 The exceptional nems comprise the following: Gain on sale of land and factory buil Gain on compulsory acquisition of land 219 Group's share of associated companies 219 35,597 21,130 21 After charging 6.038 1.083 5,865 44,354 5,924 114,325 94,332 61.454 50,909 (2,681) 1,050 (589)

The improvement in profit is largely attributable to higher profit from the property division which was partly offset by lower returns from plantation and losses of the manufacturing and overseas operations. Lower selling prices of rubber and palm products mainly contributed to the decline in plantation profit despite higher crop production with a full year's contribution from Golden Hope Plantations (Sabah) Sdn. Bhd. (formerly known

	1997	1550		
	Group	Group		
Profit after taxation as a percentage of turnover	19.58%	21.82%		
Profit after taxation and minority interests				
as a percentage of shareholders' funds	9.75%	8,46%		
Net earnings per share (in sen)	27.8	23.0		
Net tangible asset backing per share*	RM2.85	RM2.72		
The net coming and the send and any smaller count building and show our color	Jared Level -			

The net earnings per share and net tangible asset backing per share are calculated based on 1,003,827,499 (1996 - 1,002,875,499) shares in issue.

ARNINGS	:	1997 Group RM'000	1996 Group RM*000	Group 45
ofit for the first six months after taxation and minority interests  ofit for the next six months after taxation and minority interests  ofu for the twelve months after taxation and minority interests	 -	108,537 170,479 279,016	107,627 122,796 230,423	39 21

### CURRENT YEAR'S PROSPECTS

Crop production of palm products and rubber is expected to increase with more areas coming into maturity although yields are budgeted to be lower. Prices are anticipated to be slightly higher than those achieved in the previous financial year and this would enhance plantation profit for the current year. Property division's surplus is also expected to improve from last year's level. Efforts currently undertaken to improve the performance of the manufacturing and overseas operations should show encouraging results. With these improvements, Group profit for the current year is therefore anticipated to be better than the previous year.

HARVESTED CROPS - TONNES	1997	1996
FFB	1,569,310	1,344,303
Palm oil	306,042	259,390
Palm kernel	86,846	76,302
Rubber	30,597	29,436
Cocos,	9,776	4,154
Copra	4,341	4,170

1) The Directors will propose at the Annual General Meeting to be held on 17th September, 1997, a final dividend of 15 sen per share comprising 14 sen less 30% tax and 1 sen tax exempt which will be payable on 13th Octobez, 1997. If the dividend is approved at the Annual General Meeting, it is intended that the Transfer Books of the Company will be closed at 5.00 p.m. on 24th September, 1997, for the entitlement of dividend and will remain closed for the preparation of dividend warrants until 29th September, 1997.

2) An interim dividend of 5 sen per share less tax was paid on 28th April, 1997. 31 The total annual dividend is as follows:-

1397		1990	1		
Sen per share (gross)	RMT000 (net]	Sen per share (gross)	RM'000		
5	35,139	5	35,086		
14	98,375	11	77,222		
		نيا			
20	108,413 143,552	<u> 11</u>	77,222 112,308		
	(gross) 5	Sen per share RM'000 (gross) (net! 5 35,139 14 98,375 1 10,038 15 108,413	Sen per share RM*000 Sen per share (gross) (net) (gross) 5 5 5 5 14 98,375 11 10,038 - 15 108,413 11		

DIVIDEND ENTITLEMENT DATE

Registrable transfers received by the Company up to 5.00 p.m. on Wednesday. 24th September, 1997 will be ered before entitlements to the dividend are determined.

The Malaysian Central Depository Sdn. Bhd. shall not be accepting any request for deposit and/or withdrawal of shares commencing 12:30 p.m. on Monday, 22nd September, 1997 until 12:29 p.m. on Wednesday. 24th September, 1997.

A depositor shall qualify for entitlement only in respect of: (a) Shares deposited into the depositor's securities account before 12.30 p.m. on 22nd September, 1997.

(b) Shares nor withdrawn from the depositor's securities account as at 12.29 p.m. on 22nd September, 1997.

(c) Shares transferred into the depositor's account before 12.30 p.m. on 24th September, 1997 in

(d) Shares transferred into the depositor's securities account at or before 3.00 p.m. on 24th September. 1997 in respect of express transfer, and

(e) Shares bought on the Kuala Lumpur Stock Exchange on or before 17th September, 1997.

COPIES OF THE REPORT

A copy of the Company's Preliminary Report will be posted to shareholders on 25th August, 1997. Copies will be evailable from the Company's registered office and the Branch Registrar, Independent Registrars Group. Bourne House, 34, Beckenham Road, Beckenham, Kent BR3 4TU, United Kingdom.

20th August, 1997

By Order of The Board Norlin binti Abdul Samad

months. The news confirmed Tokyo.

fears that the industry is on the verge of a shake-out that could leave creditors with billions of yen in bad-loan write-offs, and lead to thou-Construction companies such as Daito, a medium- istry of International Trade sized general contractor, and and Industry.

Tada and Tokai Kogyo, which both filed for banka prolonged economic recesruptcy in July, were brought sion have left constructors 118 ganeral construction with large losses on their to their knees by a combination of high debt and loan assets, and loan guarantees guarantees made to affiliated and interest-bearing debt property developers in that that have strained balance

It became common prac- lean task and if interest tice among construction rates rise, we'll see a lot of companies to extend loans to these companies walking the property developers or guar-plank," says Steven Weller, because falling into loss antee the developers' loans industry analyst at Jardine

The recent failures illus-"At the time, land prices trate the extent to which the most financially strained were surging, and it was many construction compabelieved that if they pur- nies allowed debts to accuchased real estate their mulate. Daito collapsed with high level of public works tha highest level of loan assets would continue to dehts of more than Y150hn projects aimed at supporting guarantees among construcincrease," says Takashi (\$1.26hn), against share- the flagging economy.

to fail in less than two at Salomon Brothers in Tokat Kogyo, which to July became the first listed con-A large part of the funds struction company to fail went into golf courses. and the eighth largest corpothe war, had debts of Y511bn and risk-bearing asaets of Y326bn, against shareholder equity of Y8.7bn. Teikoku Data Bank, a pri-

debt

Bnt circumstances bave changed. Japanese banks are facing their own shake-out with the planned Big Bang deregulation, and the government desperately needs to cut spending.

Construction relative to the 225 Average Widel Indicess 140

120

face the need to strengthen their positions, they are taking a more stringent view of their bad loans," says Minoru Nakano, at Teikoku Data Bank, "The banks hold the key to the future of the construction companies."

companies, such as Kajima. Obayashi and Shimizu, have been working at writing off their bad debts. For the past five years Tobishima, a the help of their banks and a weaker company, bas had tion companies but has been

As financial institutions become more selective about which contractors they continue to support, it is widely expected that smaller companies in the industry will e weeded out.

saved by Fuji Bank, its main

Mitsui Construction

recently won the support of

members of the Mitsui group

for a restructuring that will

include financial aupport

from Sakura Bank and busi-

ness support from Mitsui

On the other hand, Tokai

Kogyo could not count on

the continued aupport of

Hokkaido Takushoku Bank.

which itself has been under

severe pressure. Sakura, Dai-

lender not only to Mitsui

Construction but also to

Fujita, another contractor

with a high debts.

Real Estate.

The government's pledge to cut public works spending by 7 per cent is also expected to result in larger companies taking market share from their weaker competitors, as private construction shows no signs of improving significantly in the near future.

"In the past, it may have been possible to support the weaker companies through public works contracts. But that is clearly no longer possible," says Mr Nakano. Like it or not, he says, the

era when Japanese contracfors shared the spoils of a national build-up that was orchestrated by the triangle of politicians, bureaucrats and industry is giving way to an era of survival of the

> Michiyo Nakamoto

#### The Chase Manhattan Corporation U.S. \$500,000,000 Senior Floating

Rate Notes Due 2002

in accordance with the provision of the Notes, notice is hereby given that for the interest perior from August 21, 1997 to November 21, 1997 the Notes will carry as

The interest payable on the relevant interest payment date, November 21, 1997 will be U.S. \$147.42 per U.S. \$10,000 Note and U.S. \$1,474.24 per U.S.

By: The Chase Manhattan Back August 21, 1997

#### Morgan Guaranty Trust Company of New York PTE 8,000,000,000

Floating rate notes due August 2006

The rate of interest for the period 21 August 1997 to 23 February 1998 has been set at 5.4675% per annum. Interest payable value 23 February 1998 will amount to PTE 557,236 per PTE 20,000,000 note.

Agent: Morgan Guaranty Trust Company

JPMorgan



Floating Rate Notes Due 2000 Coupon No 15 due from August 11 1997 to February 11, 1998 will be payable starting February 11, 1998 of e rate of 6,6875%

TTL 170.903.- per lTL 5.000.000 TTL 1.709.028,- per ITL 50.000.000

SANPAOLO BANK S.A.

Agent Bank

L. D. D. 

igit growth 27 - VT-Tital 10.00 11-17E

halfvar - Table . 104 TR . ೭೯ ಚನಿಸಿ

मुन्द्रायाचेषु 🚾

S. DIC

late 1980s, when rising prop- sheets. erty prices spurred a rash of

from banks as a way of win- Fleming in Tokyo. ning construction orders.

impact on employment and tion industry employs 10 per But on Tuesday, Daito Kogyo became the third listed construction company Hashimoto, industry analyst holder equity of Y11.7bn.

> Between 1989 and 1991, at rate failure in Japan since the peak of the asset price bubble, between 80 and 100 golf clubs were opened in Japan, according to the Min-

"Carrying tha balanca more than Y1,000bn. sheet has become a Hercu-

vate credit research organi-But falling land prices and sation, estimates the total debt incurred by the largest. companies at Y10,304.6bn: the loan guarantees of 83 companies at more than Y3.000bn; and the payment arrears of 114 contractors at

> The industry has been slow to deal with its problems institutions. would almost certainly mean losing public works contracts. Until recently, even contractors held out with

"As financial institutions

1000-91 02 93 94 95 98 97

There are already signs of a considerable divergence between the fortunes of those companies which have financial muscle or are supported by strong banks, and those that must rely on the support of weaker financial

The largest construction



# LIBERTY LIFE ASSOCIATION OF AFRICA LIMITED

- Headline earnings up 24,6% to R831,1 million
- Interim dividend increased by 20% to 168 cents per share
- Total assets exceed R100 billion
- Shareholders' wealth creation R2 440,3 million (R9,71 per share)

		S	ths ender		ended				
A. SUMMARISED GROUP	1		jane ne eme	•	31 December	C. SUMMARISED GROUP	30 June 1997	30 june 1997	31 Decemi
INCOME STATEMENT	<u></u>	iUss	udsted)		(Audited)	BALANCE SHEET	(Unandited)	(Camdited)	(Andib
	1997	1997	1996	8	]	Note	UK£m*	R.m.	
Note	UK£m*	Rus	R.m.	change	- Au	Interests of shareholders of Liberty Life Interests of minority shareholders in subsidiaries	2 278.6 1 440.4	17 157,9 19 8(5,9	14 919 10 691
attributable to shareholders of Liberty Life I	110.4	831,1	667,0	+24,6	1 538,8	Total shareholders' capital and reserves employed  Bonds convertible into group equity capital  7	3 719.9 357.4	25 803,8 2 691,5	25 610 2 570
Number of ordinary shares in lame (000's) Number of ordinary shares	252 374	252 374	247 900		250 111	Total capital resources Other long-term liabilities Life funds (including investment and other reserves)	4 876.4 513.4 8 167.9	30 695,3 3 864,9 61 497,6	28 19: 4 05: 46 16:
on which net taxed operating surplus per share is based (000's)	251 239	251 239	245 863		247 392	Represented by:	12.756.8	96 057,8	78 41
	Pence	Cents	Cents		Cents	Investments	12 315.4	92 734,7	74.64
Net taxed operating surplus and headline earnings per ardinary share	43.9	330,8	271.2	+22,0	622,0	Government, municipal and utility stocks Debentures, mortgages and loans Properties Shares, mutual fund units and interests in	1 727.7 163.4 3 125.2	15 009,9 1 230,4 23 546,2	12 600 1 066 23 089
Dividends per ordinary share,						associated companies Deposits and money market securities	7 005.2 212.9	53 353,1 1 603,1	36 607 1 287
orvinense per orumary saure, assk equivalent - Interim (payable 3 October 1997) - Final (paid 4 April 1997)	22.3	168,0	140.0	+20,0	140,0 180,0	Fixed assets Cash resources Other current assets	29.4 5.6.1 361.9	218,3 4 338,1 2 875,4	189 4 564 3 090
fotal ordinary dividends	22.3	1,68,0	140,0	+20,0	320,0	Total assets Current liabilities	13 302.4 545.6	100 166,5 4 108.7	82 487 4 067
	_						12 736.8	96 957,8	78 415
B. STATEMENT OF TOTAL CONSOLIDATED SURPLUS ATTRIBUTABLE TO SHAREHOLDERS -		30	hs ended June udited)		Year ended 31 December (Audized)	D. TOTAL SHAREHOLDERS' CAPITAL AND RESERVES	30 funte 2997	1997	31 Decemb
WEALTH CREATION	1997 UKEm*	1997 Ro		1996 Rm	1996 Rm	EMPLOYED	(Unandried) UKEm=	(Unaudited)	(Audite
viet taxed operating surplus per recome statement	110.4	831,1	ı	667,0	1 538,8	interests of shareholders of Liberty Life at 1 January Total consolidated surplus attributable to	1 981.3	14 919,2	12 567
iurpluses on shareholders' nvestments reflected lirectly in non-distributable reserves	213.7	1 609,5		170,5)	974,3	shareholders Dividends (cash equivalent) Subscription for shares in respect of conversion of convertible bonds, capitalisation share awards	324.1 (56.3)	2 446,3 (424,0)	2.513, (797,
otal consolidated surplus attributabla shareholders of Liberty Life -						and staff share incentive schemes	29.5	222 <sub>A</sub>	636,
vealth creation	324,1 Pence	2 440,2		596,5 Cents	2 513.1 Cents	interests of shareholders of Liberty Life Interests of minority shareholders in subsidiaries	2 278.6 1 440.4	17 157,9 10 845,9	14 919, 10 697,
otal consolidated surplus per	rence	Cents	•	Lenis	Cents	Total shareholders' capital and		-1	

### . NET TAXED SURPLUS

NET TAXED SURPLUS

Actuanal valuations of the life funds of the Liberty Life Group are not conducted at the halfyear stage. For the purpose of this interim report, the surplus from the life insurance
operations has in accordance with past practice been based on an estimate resulting to thet
surplus being included in the net taxed operating surplus attributable to shareholders at half
the level achieved for the previous full financial year. Disclosed net taxed operating surplus
attributable to shareholders of Liberty Life and net taxed operating surplus per ordinary share
are reflected, in terms of generally accepted accounting practice based on the underlying net
taxed operating surplus which also includes equity accounted earnings of associated
companies attributable to shareholders.

129.6 971,3

242,6

SOUTH AFRICA Total new business written by the Liberty Life Group, during the six months ended 30 June 1997 amounted to a record F2 667 million, representing a 20 per cent increase over the R2 224 million recorded for the comparable period in 1996.

New annualized recurring premium income written for the first six months of 1997 was R589 million compared to 1996's first half performance of R483 million, an increase of 22 per cent. Single premiums and annuity considerations totalled R2 078 million (1996: R1 741 million), an increase of 19 per cent. New individual premiums increased by 29%.

UNITED KINCDOM Towards the end of the six month period, B T Pension Scheme, the largest occupational pension fund in the UK, transferred £1.5 billion (R11,3 billion) of its funds (consisting mainty of UK equities) to Hermes Liberty International Pensions Limited, a subsidiary of the Liberty International Group by way of a single premium pension contribution which has been accounted for separately in the Liberty Life Group financial

### OPERATIONAL REVIEW

The strong performance of the insurance operations during the sto-mouth period has been complemented by solid market gains in both policyholder and shareholder investments. Net premium income during the six months ended 30 June 1997 (excluding the R11,3 billion single premium pension contribution received in the UK from the B T Fension Scheme) increased by 17,9% to R4 292 million compared to R3 642 million for 1996.

Management expenses at R331 million represent a virtually unchanged 7.7% of net premium income, and thus continues to impact favourably on our low expense ratios. As a function of cambined net premium income and investment income the expense ratio remains marginally

Liberty Life's evolutionary proprietary laptop technology "Blueprint", designed to enhance the effectiveness and transparency of our sales process, has established itself as a market leader as evidenced by increasing acceptance and use by the broker community as the de facto standard. The facilities for the support of new business as well as servicing of existing business continue to be improved, reinforcing Liberty Life's dominant position as the only provider of an all-encompassing, fully integrated, hi-technology solution for the sales intermediary.

The Company has refocused its product range for the corporate market with an exciting choice of irmovative new investment products. The full range of Corporate Benefit policies will be distributed via Blueprint during the third quarter of 1997 which will add further to the attractiveness of the portfolio of corporate products on offer.

. INVESTMENT PERFORMANCE AND WEALTH CREATION

The 24% increase in investment income to R2 333 million in the half year is due to a higher proportion of new money being invested in money market and fixed interest investments.

proportion of new money being invested in money market and fixed interest investments. Shareholders and policyholders of Liberty Life have both benefited from the strong investment performance over the sh-months anded 30 June 1997. Surpluses on shareholders' investments for the period reflected directly in non-distributable reserves amounted to RI 609 million, which, together with the net taxed operating surplus emerging in the income statement, translated into total wealth creation for shareholders of RZ 440 million (R9.71 per share) in the six months ended 30 June 1997. This wealth creation represents the combined effective return to shareholders incorporating both income and capital surpluses. Investment surpluses for the six-months under review attributable to policyholders increased by 97% to R3 321 million reflecting the bouyant investment conditions prevailing during the period. This excellent performance maintains the Liberty Life Group's unbroken record of wealth creation and constantly increasing returns to policyholders over 40 years.

Total assets of the Liberty Life Group now exceed R100 billion, an increase of R17,7 billion over

ACTIVITIES OF LIBERTY INTERNATIONAL

An abbreviated review of the activities of Liberty International and its 72% owned subsidiary Capital Shopping Centres PLC is contained in the announcement by First International Trust of its interim results for the six months anded 30 june 1997 which is set out

During the six months ended 30 June 1997, Liberty Life increased its interest in First International Trust to 100 940 834 shares (31 December 1996: 95 817 522 shares). This holding represents 53,3 per cent (31 December 1996: 51,3 per cent) of First International Trust's issued ordinary share capital.

At 30 June 1997, Liberty Life, through its wholly-owned subsidiary TAI Investments Limited, directly held 31,8 per cent of the ordinary share capital of Liberty International. In addition, through its 53,3 per cent subsidiary First International Trust, Liberty Life indirectly held a further 41,4 per cent of the ordinary share capital of Liberty International. These represent an aggregate holding of 73,2 per cent in Liberty International, the listed United Kingdom subsidiary which controls Liberty Life's international operations.

### BONDS CONVERTIBLE INTO GROUP BQUITY CAPITAL

Convertible bonds comprise the unconverted balance (less convertible bonds held internally writhin the Group) of the funds raised in 1994 and 1996 pursuant to the capital raising transactions undertaken by Libific International B.V., a wholly-owned subsidiary of Liberty Life, Liberty International and Capital Shopping Centres, the 72 per cent owned subsidiary of Liberty International.

During the six months ended 30 June 1997. Liberty International disposed of Capital Shopping Centres' 6.25 per cent subordinated convertible bonds due 2006 having a nominal value of £25.4 million (R191 million) to outside parties at a profit of £4.4 million (R33 million) retaining £110 million nominal (R£28 million) of the £204 million (R1,54 billion) issue.

The outstanding proportion of the convertible bonds unless repurchased end cancelled are expected ultimately to be converted into ordinary stores of Liberty Life, Liberty International and Capital Shopping Centres respectively, thereby further increasing the total shareholders' capital and reserves of the Liberty Life Group which include minority shareholders' interests.

Following the excellent results produced for the first half of 1997 and subject to no unforced factors arising during the remaining mouths of the financial year, the net taxed operating surplus and results for 1997 are expected to show a highly satisfactory increase over the level attained in 1996.

F DECLARATION OF INTERIM ORDINARY DIVIDEND OF 168 CENTS PER SHARE

Notice is hereby given that interim ordinary dividend No. 62 of 168 cents per share has been declared in respect of the year ending 31 December 1997 payable to shareholders registered in the books of the company at the close of business on Friday, 5 September 1997.

Dividend cheques payable in South African currency will be posted on or about 3 October

New individual premium income up 29%

Headling earnings per share up 22% to 330,8 cents

New annualised recurring premium income up 22%

3 719.0 28 003,8 25 616,7 1 015.8

> G. REVIEW OF THE ACTIVITIES OF LIBERTY INTERNATIONAL HOLDINGS PLC ("LIBERTY INTERNATIONAL")

Results of Liberty International for the six months ended 30 June 1997

The first half of 1997 saw further steady progress by Liberty International. Operating profit, the most important measure of underlying trading performance, increased by 15 per cent from 66.27 million to 27.24 million. The advance in operating profit manslated into a strong improvement of 15 per cent in earnings per share before exceptional items from 9.69p to 11.12p. Exceptional profits of 26.4 million were recorded, compared with 29.5 million in the first half of 1996, thereby increasing total earnings per share to 13.41p (1996 - 13.15p). These exceptional profits in the first half of 1997 mainly reflected profits generated on the disposal, at prices in excess of 1996 year end carrying values, of a portion of Liberty International's holding in Capital Stopping Centres 6.25% subordinated convertible bonds 2006, with the nominal value of the holding reduced in the period from £135.4 million to £110 million to £10 million to £100 million

Net Asset Value of Liberty International
Capital Shopping Centres PLC ("CSC") which is 72 per cent, owned by Liberty international, occupies a unique position amongst listed property companies, as a single focus company and particularly through its active management approach towards its shopping centres. In view of the unique dynamics of CSC's shopping centre portfolio, the directors of CSC consider that there is an overwhelming case that interior results, to be meaningful, should include a full external valuation of the income generating assets as the valuation of these assets represents the single most significant factor for investors in measuring the overall performance of the company in the shopping centre industry.

The Board of CSC has therefore commissioned a full external valuation of the completed shopping centre portfolio at at 30 June 1997. This external valuation has, at the interim stage, produced a gross valuation of £1.65 billion, against £1.51 billion at the year ended 31 December 1996. The revaluation surplus for the six mouth period amounted to £135 million which represents a 9 per cent improvement in the first six months of the year after taking account of capital expenditure during the period. Of this £135 million valuation surplus, £97 million is attributable to the shareholders of Liberty International and the balance to minority shareholders of CSC. This uplift has been fully reflected in the June 1997 interim consolidated balance sheet of Liberty International contributing significantly towards a net asset value per share increase from £4.36 to £4.73. The directors of CSC have indicated that, in the future, external valuations will be routinely incorporated into both the interim and final financial statements of CSC. CSC's major £250 million development at Brachead in Glasgow is now scheduled for completion not later than July 1999, with the first phase of this 200 acre development site comprising a 600,000 sq. ft. shapping centre, retail warehousing, hi-tech offices and associated lessure facilities.

The uplift in net asset value of Liberty International at 30 Juna 1997 takes no account of any surplus since 31 December 1996 in the £649 million commercial property portfolio held through the 100 per cent owned subskilary, Capital & Counties plc, for which an external revaluation was not carried out at the half year stage as such a revaluation would not have produced a material impact on the net asset value of the larger Liberty International group.

Financial Services - Liberty International

The unit bust business, conducted through the 70 per cent owned Portfolio Fund Management Limited, showed further strong growth in the first half of 1997 with funds under management increasing from ESI million to ESI million. Investment performance has continued to be highly satisfactory, with the main Fund of Funds product continuing to be a top decile performer since launch and the Asia Fund likewise having performed to the top decile since launch in November 1996.

Liberty International Jersey concentrated in the first six months of the year on marketing its Standard & Poors 'AAAm' rated Sterling and Dollar money funds which, including group funds, had increased substantially since inception in November 1996 to over 5500 million invested at 30 June 1997. The funds showed excellent investment performance at 30 June 1997, with the Sterling money fund ranking 5th out of 86 funds since inception and the Dollar money fund ranking 9th out of 75 funds over the same period. In reality, the performance was even better than the above figures would indicate as few of the money funds against which Liberty International's funds are measured are 'AAAm' rated runds operating within the strict criteria required to maintain the highest rating specific parts at the same period.

Including institutional funds managed in Jersey, total funds under management in Jersey at 30 June 1997 exceeded \$650 million compared with \$350 million at 31 December 1996, with the money funds in particular amongst the fastest growing funds in their sector. Further product launches are planned for Liberty international Jersey in the second half of 1997 which can build effectively on the successes to date of the money fund products.

Liberty International Pensions. Limited was launched us a prototype specialist pensions operation in January 1997. While there has been considerable investor interest in the Initial personal pension offered directly to the public, slow initial sales have confirmed Liberty International's judgement that the most effective way to reach scale and critical mass in the UK pensions market is through group arrangements and that individual personal pensions will represent only a supplementary flow of business compared with the core group operations which will fundamentally determine the success of the venture. The group personal pension product is now reaching its final stage of development and, having been implemented for its first two group clients, is being thoroughly tested and is being prepared for external marketing in the second half of 1997.

Arrangements were completed in the first half of the year to introduce two 10 per cent shareholders, Capital Group International Inc. ("Capital International"), the major global fund management group, and BT Pension Scheme, the largest occupational pension fund in the UK. The presence of these two major shareholders is a powerful endorsement of Liberty International Pensions' positioning in the UK market.

Capital International and Hermes, the investment manager owned by the BT Pension Scheme, have been appointed as fund managers to Liberty International Pensions' global equity and index-tracking portfolios respectively. Potential customers now have access to complementary fund management of impuralleled quality.

As part of the latter arrangements, BT Pension Scheme transferred around £1.5 billion of its funds to Hermes Liberty International Pensions Limited, a subsidiary of Liberty International Pensions Limited, by way of a single premium pension contribution. This subsidiary will now actively market its index tracking fund management services to UK compt-approved institutional investors, as well as providing index tracking funds for individual and group personal pension customers of Liberty International Pensions.

Prospects of Liberty International
Liberty International has positioned itself in the pensions and unit trust industry in the UK
and in the offshore market with Liberty International Jersey. Start up activities obviously take
time to deliver positive results but are indicative of the intention to build the proper
foundations to enable Liberty International to deliver long term value to chareholders. The
advantage of the approach taken is that Liberty International has a considerably strengthened
management team and is now better positioned to deliver long term value to shareholders.
from a substantial financial services acquisition. However, the emergence of any meaningful
level of profitability from the pension activities cannot be expected for a considerable number
of years given the extremely low level of expense and profitability loadings implied and
expected by regulators. Government and the public to the meantime, the shopping centre,
commercial property and other financial activities of Liberty international have delivered
shareholders with strong results.

Liberty International is confident that the further strong momentum which has developed in the UK shopping centre and commercial property market in the first sh months should, unless conditions change murkedly in the second six months, lead to an excellent overall performance in 1997.

On behalf of the Board

R C Anden

South African transfer secretaries: Mercaptile Registrars Lunited, 6th Floor, 94 President Street, Johannesburg, 2001 P.O. Box 1053, Johannesburg, 2 United Kingdom transfer secretaries: Independent Registrars Group Limited, Bourse Floore, 34 Beckenham Road, Beckenham, Kent BR3 4TU These results and an overview of the Liberty Life Group are available on internet at http://www.edata.co.zp <u>ම ලබන අත්වල් වන වෙන්වේ ක්රම්වරවර විසිට මුව වර්වීමට වෙන්වේ වෙන්වේ වෙන්වේ වෙන්වේ වෙන්වේ වෙන්වේ වෙන්වේ වෙන්වේ වෙන</u>

ن المنظم 
COS AND FINANCE: ASIA-PACIFIC

# Normandy advances 24% as costs decline

By Elizabeth Robinson

Mining. Normandy Australia's largest gold producer, reported record annual profits of A\$123.5m (US\$91.2m), thanks largely to lower production costs. The figure represents a 24 per cent increase, on a pro forma basis, over the previous

Colin Jackson, executive general manager, said: "If we have to crow about anything, it's that we reduced our costs in four consecutive quarters while other goldminers are now reviewing their

Gold production costs A\$336, falling to A\$325 in the from the merger. past three months.

profits of A\$376.4m, a rise of A\$1.63. A\$20.6m. KCMG, the joint venture which owns Super Pft, Australie's largest gold mine, lifted profits nearly 60 to higher production and

result after the merger with producer at about A\$170 and its PosGold, Gold Mines of ounce, according to Mr Jack-



Crespigny: focus on low-cost gold production to continue

Kalgoorlie and North Flinders associates - said it was maintaining its dividend at 6 were an average A\$30 an cents but that this was on an ounce lower over the year at extra 1bn shares resulting

Shares in Normandy Gold posted operating closed 3 cents higher at per cent because of profits of A\$376.4m, a rise of A\$1.63. increased production.

Robert Champion de Crestive about the current year, saying the group would conper cent to A\$108.2m owing tinue to focus on low-cost gold production. The new Vera-Nancy mine

son. In addition, the Ovacik mine in Turkey, which is due to be commissioned in December, should be another low-cost producer.

Mr de Crespigny also forecast a 50 per cent rise in output of zinc concentrate to 160,000 tonnes. The current spot price for zinc was more than 70 US cents a pound against an average 53 cents last year, be said.

Sales of zinc by volume last year reached a record 94,040 tonnes, up 28 per cent, because of the full-year contribution from the expanded Woodcutters mine, A 16 per cent increase in the price lifted revenues from zinc 48 per cent.

Although the price of copper was 5 per cent lower over the year, Normandy

Grant Craighead, analyst pigny, chairman, was posi- at Macquarle Bank, said the results were better than expected. The company was in a strong hedging position against price movements for the next 10 years, giving it Normandy - which was in Queensland is expected to assured earnings over the reporting its first full-year be the group's lowest-cost next five years, he added.

# Canadian listings planned

Normandy Mining hopes to list shares in ager, told the Financial Times that Normerits of investing in Normandy".

The company had considered a New York listing but had chosen Canada because e listing in New York was "very expensive" and the legal requirements in Toronto and Montreal were "not dissimilar to those in

Colin Jackson, executive general man-

Toronto and Montreal in October, writes mandy wanted a Toronto listing because Elizabeth Robinson. It said the planned listings were not a money-raising exercise but the Canadian market and attracted mutual were aimed at ensuring that "Canadian fund money, while Montreal tended to institutions are suitably apprised of the attract pension fund money that was valuedriven and not market-driven.

"It's important to develop a shareholder base that is not totally composed of precious metals funds," he said. "If you can spread the type of investor, that gives a more stable base." He boped the listing would take place in October, to coincide with the company's annual report,

# Mixed results at **Fletcher** Challenge

By Terry Hall in Wellington

Fletcher Challenge Paper, the New Zealand resource group's international newsprint and woodpulp unit, unveiled a loss of NZS385m (US\$247m) in the year to June 30, a sbarp turnround from last year's NZ\$177m profit.

The result highlighted the mixed fortunes enjoyed by companies in the Fletcher

Challenge group. Fletcher Challenge Energy reported a four-fold increase in net earnings to NZ\$308m. while Fletcher Challenge Forests saw profits surge 107 per cent to NZ\$153m. Fletcher Challenge Building lifted net earnings 21 per cent to NZ\$146m.

The paper division's loss included a provision of NZ\$400m relating to a writedown of UK Paper, its UK subsidiary. The fine paper operationa in the UK incurred an operating toss of NZ\$43m, against a NZ\$27m

The company also saw a severe deterioration in market conditions in the first half, which hit earnings at its North American businesses in particular.

John Hood, chief executive of the paper division, said demand for most of the company's products bad begun "We appear to have passed

through the trough of a price and inventory cycle in newsprint, and US prices have returned to US\$580 e tonne on the west coast," he

He added that the sale of the 51.6 per cent shareholding in former Canadian subsidiary Timberwest and the purchase of News Ltd'a stake in Australian Newsprint Mills would strengthen the company's performance. However, the outlook for fine papers in Europe was not encouraging. Mr Hood

Fletcher Challenge Energy's stronger earnings flowed from record production of 50.2m barrels of oil, combined with improved oil and condensate prices, the group said.

said

Fletcher Challenge Forests' incraased earnings were attributed largely to gains from the sale of surplus New Zealand forests. Consolidated profits for

tbe parent company, Fletcher Challenge, an unlisted entity, fell 7.8 per cent to NZ\$458m after extraordinary items.

ASIA-PACIFIC NEWS DIGEST

## Strong growth at Keppel Land Several members of the Keppel Group, one of Singapore's

largest conglomerates, yesterday reported strong first-half performances as the real estate and banking operations more than offset continued lacklustre results from marine Keppel Land lifted net profit 85 per cent from \$\$45.3m

to S\$84m (US\$55.6m) and revenues from S\$207.4m to S\$339.7m, as several real estate projects reached completion. Keppel Bank posted a 17 per cent increase in net profits from S\$42m to S\$49m, as interest income climbed 7.3 per cent and non-interest income rose 15 per cent. Fee income from investment banking, stockbroking and treasury operations were the biggest contributors. Group loans and advances grew 19 per cent to 5\$6.1bn.

However, marine-related operations continued to be weak. Industry analysts said rising costs of land, labour and utilities in Singapore had undermined the ship-repair business as strong low-cost competitors emerged in the Middle East and China.

Keppel Telecommunications and Transport posted a 19 per cent decline in net profits from \$\$5.8m to \$\$4.7m. This was caused by poor results from the shipping arm and the start-up costs of Mobile One, Singapore's second mobile telephony operator, which was launched in April.

Keppel Marine Industries increased first-half net profits 4.4 per cent from S\$6.8m to S\$7.1m. It completed four vessels during the period and expects the performance of the ship-repair business to improve in the second half. Keppel Integrated Engineering, also a marine-related business, saw a 39 per cent fall in net profit from S\$7.1m to S\$4.5m owing to thin profit margins.

James Kynge, Kuala Lumpur

**BUILDING MATERIALS** 

### Ampol weakness hurts Pioneer

Pioneer, the Australian building products group, reported a fall in net profit to A\$215m (US\$159m) for the year to June 30, 15 per cent down on the previous 12 months. The company blamed lower dividends from its 50 per cent share in the Ampol petroleum business.

Profits at Ampol, formed two years ago when Pioneer merged its petroleum activities with Caltex Australia, were "disappointing", according to John Schubert, chief executive. The unit was hit by lower crude oil prices, which cut its contribution hy more than half from A\$69.5m to A\$29.8m.

Pioneer is reviewing its interest in Ampol and confirmed it is in talks with Caltex over the sale of Pioneer's

The company said strong growth and record earnings from operations in Asia and the US more than offset lower results from European building materials. The current year is likely to see a rise in profits from building materials in Australia, the US and Asia, but earnings from Europe are expected to fall. Sales from building materials rose 3.8 per cent to A\$3.14bn on higher volumes, which offset lower prices in some markets.

Mr Schubert said profits in the current year were expec ted to mcrease, but much would depend on Ampol's performance. Elizabeth Robinson, Sydney

### Jardine lifts stake in Thai affiliate

Jardine Fleming Holdings has increased its stake in its Thai affiliate, the brokerage house Jardine Fleming Thanakom Securities, to 49 per cent after buying an additional 5 per cent of the company from One Holding, the ailing investment arm of the collapsing Finance One empire, for an estimated Bt25.1m.

One Holding, which has stopped paying all creditors' and defaulted on \$13.5m in bills of exchange earlier this year, sold its entire 21 per cent stake in Jardine Fleming Thanakom for Bt108 7m (\$3.3m), valuing the unlisted Thai company at Bt17 a share.

The remaining 16 per cent was bought by members of the Chatikavanii family, which now owns a 30 per cent stake in the company. Finance One still holds 10 per cent. Ted Bardocke, Bangkok

· ; . . . • ±,≒

الهار فارس

- 1955 A

- L +<u>€</u>

A ...... 8

1. N. 1975

11 15

a was the

- North 19 ...

The same of

\*\* \*\* Zi ji

· · · · · · · ·

To suppose the

eretaan, alan

2 k 3 m 2 m 2 m

Company of the Compan

7 7 775

2000

HEM METARA

Charles

\* 5°01 \*\* 4. \*\*

TOWN THE

2 Madeus

\*\*\*

THE RESERVE OF THE PERSON NAMED IN

FATTANTO

The way 

The state of the s

Acres of the last

OHTRACTS & TEMPE

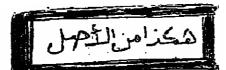
MANCHESTER ARE

中文 · 本 夏温发 🍇

7 19

THE THE TWO

**G**directors



### COMPANIES AND FINANCE: UK

Case to be heard in New York after Justice Department's successful appeal

# US case against TI to go ahead

21 21 31 182 A

nned

or Times that he

CO. NOTE BENEFIT

A PERSON

And of Mark

21 -51 (SE

4 - W 45 15 15

T 198 198 1

EGG

STATE OF STREET

-

. . . . . .

Pioneel

الشأألك الما

× -- -

A New York court is expected to rule next year on claims that TI, the UK engineering group, defranded the US Air Force by over-charging for aircraft components. The way was cleared this week for the casa to go ahead, after the US Justice

Department successfully appealed against a ruling that the case could not be heard in a New York Court. In its first such action tion, the Justice Department

has joined suit with Jeffrey adamant that its subsidiary. Thistlethwalta, a formar manager at TI US subsidiary Dowty Woodville Polymer

slots of swing-wing aircraft, including Fill and Bl bombers. Lawyers for Mr Thisentitled to e share of any damagea under US laws designed to encourage "whistle-blowers," say damages could reach \$60m.

acquired during the £500m (\$815m) takeover of Dowty in 1992, bad done nothing

They claim that over a decade, DWP overcharged lawsuit was filed in April for seals used on the wing last year, after Mr Thistlethwaite began a private action alleging that DWP had systematically witheld the true tlethwaite, who could be manufacturing costs of the components.

These were supplied under a series of fixed-price contracts, won during tha mid-1980s. As a conditioo of tha Last night, TI remained contracts, DWP was sup-

posed to disclose its production costs, and propose an additional percentage for profits. But the plaintiffs claim the

costs were inflated, and the

Air Force was overcharged

by up to \$20m over the course of the contracts. In seven claims for damages, the Justice Department has alleged that Dowty violated the False Claims Act, the Truth in Negotiations Act, breached contracts, was "unjnstly enriched" and "received payments made

under mistake of fact."

According to documents filed in New York, Mr Thistlethwaite warned senior colleagues they were overcharging the US Air Force in "relieved of his responsibilities" for the F111 and B1 components.

Mr Thomas Engel of Engel & McCarney, the law firm representing Mr Thistlethwaite, said the case would now move to further exchanges of documents between the parties and to a pre-trial examination of wit-

# Weir up **44%** and keen for purchases

By Peter Marsh

Weir Group yesterday bncked the trend in the UK engineering iodustry by announcing a 44 per cent rise in first-half profits to £27.8m (\$45.3m).

It also said it was searching for acquisitions valued at up to £100m.

Pre-tax profits for the six months to June 27 were struck from turnover little changed at £318.6m (£314m). Orders rose 21 per cent to

Sir Ron Garrick, chief executive, said the rise in sterling in the past year "is not causing us significant problems".

Even though 60 per cent of Weir's sales are ontside Britain, exports from the UK are low due to its policy of siting manufacturing around the world.

The company was looking for bolt-on acquisitions, said Sir Ron, but might also look ontside its core areas of business. The group bad cash of £11m at the halfyear, but Sir Ron said it would be looking to pay up to £100m for the right acqui-

"These results are a bit of a breeze." be said.

Sir Roo said price pressures in the pump industry - which provides half of the company's sales - were easing as a result of consolidation in the sector. This bad belped improve margins.

Weir was seeing particularly good demand from customers in mining and general industry. However, the engineering services division, which provides 20 per cent of sales, had been "held back" hy poor performances at two of its subsidiaries.

Weir also announced that Mr David Newlands, forwere varied. One analyst merly finance director at GEC, has joined the board as a non-executive.

Earnings per share were by today's results that the np 47 per cent at 10p (6.8p). The company is paying an interim dividend of 2.54p, 10 per cent bigher than last

All Futures, Options

& Margined Forex

### **NEWS DIGEST**

# Wassall looking at acquisitions

Wassall, the industrial conglomerate, said it was concentrating on making fresh acquisitions following the sale of its remaining 19.5 per cent stake in Geoeral Cable Corporation of the US.

The company sold 4.35m shares in the telephone and wires group at \$31 a share in New York, adding £80m (\$130.4m) to its £220m cash pile. David Roper, deputy chief executive, said Wassall was "keen on converting the cash into operating assets" rather than "letting the money burn a hole" in its pockets.

Wassall floated 80 per cent of GCC at £21 a share in May, eoahling it to distribute £150m to sharebolders. Since the float, GCC's shares had performed well and Wassall has been able to dispose of its remaining stake earlier than expected.

The total proceeds from the disposal, including the initial public offering, will amount to £477m \$763m (£477m). Wassall bought GCC three years ago for \$177m. Mr Roper said McBride, Europe's biggest manufacturer of own-label consumer products, and TLG, e lighting equipment company, were "obvious targets" for Wassall

in the eyes of outside watchers.

In June, it emerged that Wassall had secretly huilt up a stake of 2.98 per cent in McBride, although the company has claimed that the holding was "an investment". Wassall also has close to 5 per cent in TLG. Emiko Terazono

### Kalon makes Dutch purchase

Kalon, the decorative paints manufacturer, yesterday hought 75 per ceot of Circle, one of the largest makers of private label paints in the Netherlands for an undisclosed sum. The remaining 25 per cent of the company will be owned by Henk Bijl, its managing director, who will

For the year to December 31 1996 Circle had sales of Fl 32m (\$15.4m) and net assets of Fl 3.8m. The company,

founded in the 1970s, has three production sites. Yesterday's deal follows Kalon's recent purchase of a 70 per cent stake in Prominent Paints of South Africa. Kaloo bas held a small stake in Circle since 1991, since when the companies bave co-operated.

### Regalian in £60m venture

Regalian Properties bas teamed up with three Singapo rean groups - Waterbank, NatSteel Properties and Ossia Land Private - to buy Point West, a 500,000 sq ft residen tial development in Londoo's Knightsbridge for £60m

Completion of the project, scheduled for 1999, is expec ted to cost a further £60m. The deal is Regalian's second large venture with Singaporean partners since it set up an office in Singapore in June last year.

### LIG buys Topaz brand

London International Group, the leading manufacturer of hranded condoms, has bought the Topaz condom hrand and its pateoted applicator for £1.3m (\$2.1m).

The deal is part of LIG's plans to hring new products to the condom market. Top of the list is its Avanti polyuretbane condom, which the company says is stronger and thinner than latex condoms.

The product, due to be launched in the UK in the autumn, is currently waiting approval from the US Food & Drug Administration.

# **European** sell-offs by Mayne Nickless

Mayne Nickless, the Australian transport group, has sold its two European logistics businesses to Hays, the UK distribution and services company. It said it planned to forge a relation-ship with Hays to offer a "seamless" service through Australia, Asia and Europe.

The two husinesses, Heliden Logistics of the Netherlands and France Distribution Systems were sold for FFr930m (\$150m) in cash and debt. Mayne Nickless ecquired FDS in 1992 and 70 per cent of Heijden in 1990, hnying the outstanding shares in 1992. It did not disclose the purchase prices. Bob Dalziel, Mayne Nickless managing director, said the company was exiting

Burope to concentrate on its

operations in Australia and Last month, in Malaysia Mayne Nickless entered its second joint venture in south east Asia. The Malaysian transport venture, 49 per cent-owned by Mayne Nickless, will also develop a distribution centre for Malaysia and Singapore. The deal followed a logistics ven-

# Rentokil grows by 20% again

Rentokil Initial, the business services group which tripled in size last year after acquiring BET, yesterday said the deal was vindicated by yet another 20 per cent increase in interim earnings. But some analysts

expressed concern at the figures, pointing to lower than expected group turnover.

Sir Cliva Thompson, chief executive, conceded that organic growth in Rentokil's businesses averaged some 14 to 16 per cent e year, with the balance typically coming from acquisitions. Interim pre-tax profits rose

44.2 per cent to £193.9m (\$316m), yielding a 20.3 per cent rise in earnings per share to 4.74p. Turnover jumped 67.5 per

cent to £1.41bn. The figures include six months of BET's husinesses, compared with just two months in last year's interim figures. The Clive Thompson concedes: 'at some point we will feil to achieve the earnings growth target' reported figures are struck after the adverse impact of now the City is sitting by the bled from 3.78 per cent to reduced its debt at the half sterling, which hit profits by side of the race track watch-£14.3m. At constant ing to see if we crash. At exchange rates, earnings per some point we will fail to share would have risen by 28.4 per cent

The company prides itself far away as possible." on delivering consistent earnings growth, averaging 23 per cent a year for the past 15 years. But Sir Clive admitted: "Nothing grows by 20 per cent for ever".

some point we will fail to achieve the target, but it's our job to keep that day as

He said yesterday's results becked up his contentioo that BET "consisted of good businesses which were badly managed.

Profit margins in person-

7.25 per ceot. Margins slipped, however, in the company's largest business, hygiene and

cleaning services, from 20.3 per cent to 19.4 per cent. Turnover suffered in those divisions which now include BET businesses, as management cut back on contracts which it said were not profit-

able enough. "We've been boisted by nel services, almost a pure our own requirement, and BET businesses, nearly dou-

to 0.89p.

year to £454.2m. Sbarehold-

ers receive a 20.3 per cent

rise in the interim dividend

Reactions from the City

described the results es

"spectacular". Another said:

"We have not been reassured

BET takeover was the right

# **BG** directors to consider buy-back

By Ross Tieman

A share buy-back worth up . to £2bn (\$3.3bn) will he among the options to be reviewed by directors of BG, the gas utility, when they decide upon a new capital structure for the gas exploration, production and distribution company next month.

Details of a new capital structure and a new dividend policy will be revealed alongside maiden interim results of the former British Gas arm, which demerged its gas trading business Centrica in February and renamed itself BG.

Yesterday, 'shares in' BG added 5p to 259p as expecta-

and e tough price-control pipeline subsidiary heve made a capital restructuring

The company, which has been unable to raise its diviexpected to rebase its dividend and declare a strategy for progressive pay-outs.
Analysts believe David

in Fehruary, and Philip Hampton, hired as finance director from British Steel, will take a far less conservative epproach to financing than their predecessors.

Although BG has no

96 per cent, and the imposition of e £513m windfall levy the past been called in to the multi-utility regarded by regime upon its TransCo the demerger.

new management to develop a range of halance sheet options. "A buy-back looks dend for several years, is pretty likely said one. Simon Flowers, of broker NatWest Securities, believes

BG may spend about £1.25bn to buy its own shares. That Varney, the Shell manager would give the company a who became chief executive more efficient capital structure, while leaving sufficient funds for development, including investment in

exploration and production. Despite its high gearing,

advise on projects such as many as e model of financial efficiency, has cover of 4.5 to Brokers believe the bank five times. If BC were to may now be assisting the adopt a similar structure. they say, it could borrow £3bn to fund a buy-back or

shareholder distribution. The way was cleared for a decision on the capital structure last month by the publication of a report by the Monopolies and Mergers Commission into TransCo's price control formula.

Yesterday, BG despatched its formal response to a consultation document by Ofgas, the regulatory body, calling upon Clare Spottisanalysts say BG will have woode, the regulator to cash interest cover of seven accept the MMC recommen-BG already has gearing of retained merchant hank or eight times over the next dations in their entirety.

GNI	24 HRS	Contact: James Alfan Tel: 0171 337 3999 Fax: 0171 337 3997 Web Site: http://www.gni.co.uk
M	FIR AND THE	EETRADING GUIL
		500 56571
The valuation of Attents and outputs may fleaten	print a rest de	n may lose more than the arrest expends, except and may also to represent may not apply to any mentional framens conducted which





We are experts in currency and financial spread betting and cover over 100 markets, Hours 7.30cm - 9.15pm. Accounts opened within 48 hrs.

For current prices: Teletext Chounel 4 page 699 Great Spread For brochure and application form cal: 0171-550 8500

The new Weekly Petroleum Argus Weekly intelligence brief on energy, investment and politics Petroleum Argus CALL NOW for a FREE TRIAL to to a newsletter (44, 171) 359,8732

The PT GUIDE TO WORLD CURRENCIES, published in Monday's exempter and covering over 200 commercies, is now available by distilling the fails number from the largest or bundant of your fax machine. 0001 437 001. Calls are charged at 35pt on charge sale and 49pt on at all other times. For save side the UK please tricohome +44 171 873 4378 for details on Cityline Interna

If you would like to advertise, or require any further information, please contact: Jeremy Nelson Tel: 0171-873-3447 Fax: 0171-873-3062

#### Total last Тиниче (Ст) EPS (p) 1.41 (1.4) 23.7 1.25 (0.802) 14.6 23.5\$ (12.6) 20.6\$; 3.2 (15.8\$) 18.4\$; 0.379 (0.413) 1.09 30.3L (1.26L) 26.73L; 4.19 (3.8) 7.45 193.9 (134.5) 4.74 2.96 (2.49) 5.3 1.944.4 (0.542L) 16.2L; 27.8 (19.2); 10 6 miths to June 30 (22.9 ) (10.5 ) (13.3 ) (8.3 ) (1.19 ) 4.1 1.5 o must to June 30 99.9 (51.4) ed Hitblat \_\_\_\_\_\_ Yr to May 31 28.5 (20.3) targh Oil & Gas. 6 milts to June 30 2.35 (2.04) 3 milts to June 30 36.1 (35.4) 1 initial \_\_\_\_\_ 6 milts to June 30 1440 6.325 0.28 3 mitte to June 30 (-) (5) (Vimite) 6 mitte to June 30 (36.1 (35.4)) (36.1 (35.4)) (36.1 (36.2)) (36.1 (36.2)) (36.2) (36.4) (36.2) (36.4) (36.4) (36.4) (36.4) (36.4) (36.4) (36.4) (36.4) (36.4) (36.4) (36.4) (36.4) (36.4) 7.1 2.53 4.1 2.54 Nov 10 231 Total last Investment Trusts MUSA (0) BPS (p) Henderson High inc ... 6 mins to June 30 147.3 (129 ) 3.57 (3.5 ) 1.88 (1.73 ) . 1.65 Oct 31 Earnings shown basic. Dividends shown net. Figures in brackets are for corresponding period. After exceptional charge. VAfter exceptional credit. †On increased capital. ØAlm stock. \*\*Comparatives pro forms for 12 months. \*\*Second interim; makes 3.3p to date.

### **CONTRACTS & TENDERS**



### **NEW RETAILING OPPORTUNITY**

Manchester Airport PLC is offering a new trading unit in Terminal 1 in ordar to meet the market demand for a full independent travel service on site. The release of this opportunity is imminent and Manchester Airport PLC invites intarested parties to apply for tender documents for the

Companies wishing to be considered for inclusion on a eelect list of tenderers should apply as detailed, providing the iollowing information: Copies of the last two years audited

Company brochure/profile Evidence of membership of, and participation in, relevant professional bodies such as ABTA. Applications should be made to the Administration Manager, Manchester Airport PLC, Manchester M90 1QX by

Friday 29 August 1997.

The Financial Times plans to publish a Survey on

please contact:

**Bill Castle** Tel:+44 171 873 3760

or your usual Financial Times representative FT Surveys

### **LEGAL NOTICES**

EN THE BIGH COURT OF JUSTICE CHANCERY DIVISION COMPANIES COURT IN THE MATTER OF NETWORK MANAGERS (UK)

AND IN THE MATTER OF THE COMPANIES ACT 1985 COMPANIES ACT 1995

NOTICE IS HISSEY CONN that do Outer of the High Court (Chancey Domont dated 13th August 1997 conforming the relations of the capital in the above anneal Company from E1,000,000 dended unto 10,000,000 ordinary stores of 10 punce such to 20,000 dended was 000,000 ordinary duries 10 punce such to 20,000 dended was 000,000 ordinary duries 110 punce such to 20,000 dended was 000,000 ordinary duries in 10 punce such to 20,000 dended was charte to 10 punce such to 20,000 dended was charte duries to 10 punce such to 20,000 dended was charten of the country and the country of the country and the country of the country and the country of the country of the country of the Companies on 14th August 1997.

DATED के 21 व विकृति सम्बद्धाः 1997  In the High Court of Justice No. 002943 of 1997 IN THE MATTER OF HAVELOCK EUBOPA FLC

For a

and IN THE MATTER OF THE COMPANIES ACT 1985 NOTICE IS HEREBY GIVEN that the Order

of the High Court of Justice (Chancery Division) dated 30th Jely 1997 confirming the reduction of the Share Premum Account of the above-named Company by the num of \$3,029,176 was registered by the Registers of Companies on 19th August 1997. Dated the 21st day of August 1997 Moreton Science.

Morrison Skimow, 63 Queen Victoria Street London EC4N 4ST (Ref: MAM/KMD/HA8634841 Solicitors for the above-named Company Tel: 0171 329 3299

# PRIVATE CLIENTS WELCOME

### FUTURES BERKELEY FUTURES LIMITED 38 DOVER STREET, LONDON WIX 3RB TEL: 0171 629 1133 FAX: 0171 495 0022

649

3030

MARGINED FOREIGN EXCHANGE 0171 Union **FUTURES & OPTIONS** 24 HOURS Limited



CURRENCY MANAGEMENT CORPORATION PLC

• Roat Time Foreign Exchange Dealing Service via the Internet

• 24 Hours Service - No Commissions • 5 PIP Spreads

• Free Realisms 180 Currency lead

when Fores-CASC CO UN EMAIL PETER® FOREX-CMC CO UN Tet 44 171 865 0800 Fax 44 171 972 0970 Address 11, Old Jewry, London EC2R BDU

UNION TAX-SHOP LTD For ell your tax and self- assessment needs Tax Returns from £60 TEL: 0345 585573 / FAX: 0345 573376

**FUTURES** DATAKIT

 10 years of daily nearest futures pric
 Data download software. Tel: +44 (0)171 842 4063 for more infor

REUTERS

FUTURES PAGER 80 88 88 0080 PHILIPS BY

**SHARES** -TAX FREE 0171 896 0011 IG INDEX
FINANCIAL



OFFSHORE COMPANIES Established in 1975 OCRIA has 20 offices work wide and 750 ready-made companies await For 100 page FREE colour brochure Email (Inquicie)(forexulture or contact BLE OF MAIN DESCRIPTION OF CORD TO COLOR BROCKER OF COLOR BROCKER 
James Marwell

A personal service in Futures, Options t



Rea-time ti x-by-ti x LSE to your PC from only \$79 per month Tel: +44 171 793 3100

Regulated by SFA



# MANCHESTER AIRPORT PLC



accounts

Oil Industry

on Thursday September 11 For further information,

Fax:+44 171 873 3062

# Europe gives up early gains

By John Labate in New York and Vincent Boland in London

European bond markets of the deficit for May to mance yesterday, mostly giving up early gains after the US commerce department June while exports increased reported a lower than expected trade deficit for June, which caused US Treasuries

to fall in morning trading. High-yielders were the exception, with Italy again posting strong gains and out performing the core European markets. But analysts said trading was generally thin due to boliday factors.

US TREASURIES fell after the June trade data were published. By early afternoon the benchmark 30-year vielding 6.540 per cent.

Prices of shorter-term issues also lost ground. The yielding 6.240 per cent, and new corporate deht issues.

the two-year note was 1

The commerce department reported a trade deficit of Dimick, Treasury market \$8.2bn in June and a revision analyst at UBS Securities. \$10.2bn estimate.

Imports fell 0.7 per cent in 0.9 per cent. Economists said the effect of these figures will be an upward revision to second-quarter GDP.

In spite of the impact of the trade deficit on growth. the implication for interest

"The trade figures alone won't move the Fed closer to tightening policy," said Cheryl Katz, senior economist at Merrill Lynch in New York, High inventory accumulations should conbond was down 1 to 97 to tribute to slower second-haif

GDP growth, she added. Lower yields this week spurred some morning sell-10-year note fell 🛔 to 99½, ing, as did anticipation of

"When the long bond yield lock in rates," said Patrick tled is higher at 115%.

European markets off their were also studying a new stride, with only UK GILTS survey from the Ifo research managing to record gains on the day. They were cheered by news that retail sales expanded by 0.3 per cent in July, at the lower end of expectations.

Nigel Richardson, head of bond research at Yamaichi International, said the data were "a relief factor" for the gilt market, which is sensinow that the Bank of cycle of interest rate rises may he over for the moment.

The figure "doesn't point strongly in the direction of Bear Stearns. an interest rate rise but the monetary policy committee due to meet today for its futures contract gaining 23 will be studying it closely." Mr Richardson said.

lower at 100, yielding 5.855 moved near 6.5 per cent, eight-tick range. The Sep- having been well aired over some investors decided to tember futures contract set the past few weeks.

ded it higher at 115%.

The September bund improves GERMAN BUNDS fell as futures contract settled 13 the D-Mark turned in basis points lower at 102.73, The early fall in Trea- another weak performance having hit an intra-day high turned in a mixed perfor- 89.5bn from an earlier suries knocked the core against the dollar. Investors of 102.94. institute showing a strong ber notional futures contract

> Some analysts argued that an improvement in the business climate suggested the economy would be more resistant to a rise in German interest rates.

sentiment in Western

There is less of a reason tive to each piece of data to keep rates on hold, should the D-Mark weaken further, England has suggested the for fear of snuffing out economic growth," noted David Brown, chief European economist at investment hank

> first gathering since the summer break, with the of the Italian performance.

Gilts traded in a narrow question of interest rates in Russia

The September bund

FRENCH BONDS fell in sympathy, with the Septemimprovement in business settling 6 points lower in Paris at 130.14.

ITALIAN BTPs put in the strongest performance of the day, with the September futures contract settling 72 points higher at 136.72, though it fell slightly in after-hours trading.

The survey, of US invest-ment institutions, showed The firmer lira against the D-Mark and a benign outlook that one of the most imporfor inflation - Italian cities tant concerns is the discloare due to start reporting sure standards of Russian July inflation figures today companies. Nearly 90 per cent of respondents said - gave a positive backcompanies failed to provide

ground to trading.
SPANISH BONOS also points to 117.57, on the back

> small and medium companies, increasingly tha target of western investors. "There is growing demand for increased information from these firms," according to Broadgate Consultants,

adequate financial, opera-

tional and strategic informa-tion to shareholders.

The disclosure problem is

especially acute among

Investor

By Vincent Boland

Confidence in

performance of Russian

shares is higher now than it

was six months ago, accord-

ing to a new survey, but

political risk, the paucity of

shareholder rights, and

crime and corruption are

the main factors determin-

ing US investor perceptions

of the country.

confidence

the New York firm that carried out the survey. There is also dissatisfaction with steps to improve

corporate governance at Russian companies.
Nearly 70 per cent of

investors surveyed said government attempts to enforce shareholder-friendly legislation were "fair to poor", and there was growing trustration at the inefficiency of the judicial system and securities laws.

However, more than 80 per cent of investors said they expected to maintain or increase exposure to Russia over the next year. A big bank for foreign trade, is to majority also felt the govlaunch its debut eurobond in ernment was doing an effec-

### CAPITAL MARKETS NEWS DIGEST

ollar ga

RESPOSS RATES

TRUE RATES

TASE LENDING RATES

- -: - Richard

1. grape**s** 

A 4 4 5 7

12.45

8 14 C. T.

# Japanese first from Sanwa Bank

Sanwa Bank, one of Japan's largest banks, is to issue Japan's first fixed maturity subordinated bond next month. Officials at J.P. Morgan, which will be joint ly lead-manager with Sanwa International, said the bank wanted to diversify out of its traditional home investor base with the \$500m issue.

By issuing a 10-year subordinated note (with a five-year call facility), the bank wanted to distance itself from tha spate of recent perpetual subordinated bonds issued by other Japanese banks. Many had falled to spark strong interest among European investors, an official said. "Japanese banks tend to drop eurobonds into the market with out any warning. Wa want to prepare the European investor base before pricing this one."

In addition, by making them perpetual, Japanese subor-dinated note issuers had targeted "much too specialist" an investor base, Sanwa said. "We want to target as wide an investor base as possible," said the official. "We don't want to see the usual situation, where most of the paper is bought by offshore Japanese investors and then depos-

Japanese banks are expected to become increasingly active in the eurobond markets in a drive to make their assets work harder. Subordinated bonds, which allow banks to fulfil their tier-two capital adequacy requirements, and securitised debt issues are expected to be in the forefront of this drive.

#### ■ DERIVATIVE INSTRUMENTS

### Vereinsbank mortgage-linked notes

Bayerische Vereinsbank, the Munich-based banking group, has launched a new derivatives product targeted at short-term investors which will link the performance of a eurobond to that of the US mortgage market: American Mortgage Corporation, a special-purpose Vereinsbank vehicle, will issue short-term principal-only euronotes, offering enhanced returns linked directly to the value of an actively-managed mortgage fund.

The six-month notes will be extendible semi-annually for up to three years and will be redeemable at par on maturity. The notes will carry a rating of Al+r, the highest short-term rating, from Standard & Poor's. AMC will also invest in a fund investing primarily in mortgagebacked securities set up by Fischer Francis Trees & Watts, a US fixed-income investment house, and the Federal Home Loan Mortgage Corporation.

Stephan Bub, chief executive of Vereinsbank Americas Group in New York, said the transaction was in line with the globalisation of real estate refinancing. Vereinsbank recently launched a global Plandbrief offering US investors exposure to the German mortgage market.

Mr Bub said that the new vehicle was aimed at "big, liquid-position investors with a short-term borizon" such as money-market funds, multinationals with big cash positions, and insurance companies. Vincent Bolond

# **Fannie Mae in** A\$1bn global

INTERNATIONAL BONDS By Edward Luce

Fannie Mae, the US Federal National Mortgage Associa- ing at Fannie Mae. tion, enlivened the markets yesterday with its third burg, joint lead manager global Australian dollar with Merrill Lynch, said the bond so far this year. The bond was mainly targeted at A\$1hn bond, which will be Asian investors, unlike the formally launched today, is five-year bond, which had Fannie Mae's first three-year in that currency after the five and 10-year offerings through the US Treasury

Officials in Washington said Fannie Mae had not planned to build a yield to US buyers. curve in Australian dollars good funding opportunities

WORLD BOND PRICES

BENCHMARK GOVERNMENT BONDS

"We swap everything back into US dollars so we keep a close eye on good funding windows," said David Levine, director of debt market-

An official at SBC Warbeen aimed at US investors. At a 35 basis point spread yield curve, three-year Aus-

"A coupon of around 5% is but had repeatedly spotted not going to grab the American investor," said a banker

tralian government honds

are not obviously attractive

New international bond issues W US DOLLARS Cregem Finance Pactual Overseas Corp ILLIXEMBOURG FRANCS 102.45 Apr 2004 1.875 AUSTRALIAN DOLLARS Federal National Mtg Assoc ANZ Banking Group(I) +12(13.1JO) MerriVSBC Warburg Final terms, non-callable unless stated. Yield spread (over govt bond) at launch supplied by lead manager. #Semi-erm coupon. Rt fored re-offer price, fees shown at re-offer level, a) Priced today. I) Long 1st coupon, a) Short 1st coupon.

the Japanese investor there year. The others are sterling. is a potential currency gain D-Marks, and New Zealand with the Australian dollar and Hong Kong dollars. falling against the yen."

Officials said Fannie Mae paper bad "surrogate government bond" status in the Australian market. This enhanced the attractiveness of the bond, which was priced to yield a spread of 12 basis points over Australian government bonds.

Oct

M NOTICINAL ITALIAN GOVT, BONO (BTP) FUTURES (LIFFE)\* Lina 200m 100ths of 100%

Open Sett price Change

Italy

■ SUND FUTURES OPTIONS (LIFFE) DM250.000 points of 100%

Dec Sep

0.33 0.59 0.76 0.05 0.95 1.21 0.19 0.41 0.58 0.30 1.31 1.53 0.10 0.27 0.41 0.77 1.72 1.89

Mr Levine said the agency.

the world's largest mortgage finance house, also wanted to draw international investors into its domestic bond investor base through its global funding exercise. Less than 15 per cent of

Fannie Mae's \$85bn primary bond issuance last year was The Australian dollar is offered on the international one of five new currencies markets. About half of Fanin London. "Conversely, for Fannie Mae has tapped this nie Mae's domestic issuance

Oct

LOW

Est. vol Open Int.

its liabilities to the vagaries of its mortgage portfolio. · Lebanon is planning a \$400m 10-year eurobond issue in what would be the first part of a \$1bn bond programme proposed by prime minister Rafik al-Hartri.

is callable, to give Fannie

Mae the flexibility to adjust

· Vneshtorgbank, Russia's September, according to tive lob of promoting pri-Chase Manhattan, which vate sector economic will lead manage the issue. growth.

															_
TSE Actua	ries G	ovt S	curit	ies									U	K Inc	lice
ce indices L Gitts	Wed Aug 20	Day's change %	Tue Aug 16	Accrued interest	xd adj. ytd				yleid ⊷ Yr. ago						
Up to 5 years (19)	119.54	0.06	119.80	2.23	7.01	5 yrs	6,99	7,00	7.15	7.07	7.09	7.23	7.10	7.13	7.31
5-15 years (21)	153.22	0.07	153,10	2.47	7,42	15 yra	6.98	6.98	8.08	7.01	7,02	8.09	7.08	7.09	6.10
Over 15 years (5)	182.81	0,08	182,69	6.84	6.99	20 yrs	8.96	5,98	8.18	6.99	7.00	8.1e	7,08	7.08	8.16
irredeemables (5)	241.11	0,08	240.88	3.82	8.36	. Fred.t	7.08	.7.09	.8.20						
All stocies (50)	147.55	0.07	147.50	3.12	~ 7.24		4.4				• •				
							b	disting !	5%,		Inf	lation 1	0%		
to the land							Aug 5	OC AND 1	9 Vr. m	. :	Aug 2	Aug 1	6 Yr. ac	a ·	

6 Up to 5 years (2) Up to S yes

FT Fixed Interest Indices Gilt Edged Activity Indices 97.88 93.31 126.88 116.32

# Price change Yield ago ago Coupon Date Frice change Yield 10.000 10.07 124.8387 +0.420 8.60 5.625 07/07 93.7400 -0.160 5.68 5.250 03/07 103.9500 -0.140 5.70 7.250 06/07 103.9500 -0.470 6.00 7.000 06/07 103.9300 - 6.19 4,750 03/02 100.0530 -0.160 4.73 5,500 10/07 99,7900 -0.180 5.52 6,000 07/07 102.8200 -0.180 5.62 8,000 08/06 110.8300 -0.120 6.38 8,750 02/07 101.9800 +0.420 8.47† 5,600 08/02 119.8636 +0.070 1.34 3,000 08/05 101.4800 -0.140 5.54 6,500 02/07 101.4800 -0.140 5.54 6,500 08/07 111.2227 +0.690 8.44 < +5/32 +2/32 +2/32 -11/32 -12/32 -0.340 12/07 12/07 10/08 08/07 08/27 04/07 7.00 7.02 6.25 6.53 5.86

Latest		Treasury	Blis :	and Bond Yields	
Prime rate	81 <sub>2</sub> 71 <sub>4</sub> 5,1 <sub>6</sub>	One month Two month Three month So: month One year	5.24 5.36 5.53	Three year Five year 10-year 30-year	5.8 6.0 6.2 6.5

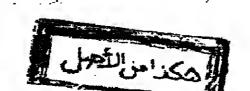
BOND FUTURES AND OPTIONS

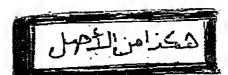
	Open	Sett price	Change	High	Low	Est, vol.	Open int
Sep	130.24	130.14	-0.06	130.34	130.04	94,275	156,769
Dec	99.20	99.12	+0.04	99.32	99,08	5.161	11,776
Mar	98.60	96.52	-0.04	98.60	98.60	2	_
I LONG	TERM FR	ENCH BOY	III OPTIO	NS (MAT	IF)		
Strike		CAL	LS		_	PUTS -	
Price	Sep	Oc	t D	ec.	Sep	Oct	Dec
127	2.58	, .			0.01		
128	1.60			•	0.06		
129	0.77				0.24	-	-
123					0.69		
130	0.23	•		_			

_							
Sep	138.00	135.72	-0.72	136.82	135.90	68263	105218
Dec	109.40	108.74	-0.50	108.75	108.37	13003	5956
TALIA	N GOVT, BO			TIONS (LIF	E) Un200		100%
Strike			LLS		-	PUTS -	<u> </u>
Price		Sep	Dec		Sep		Dec
0008			26.74				0
8050 8100			28.24				0
	otal. Calls 57	51 Parts 30			w. C	102833 24	_
	July	31 ( 000 000	A FIGURES	<b>-</b> 10 opu			100070
Spain							
NOTE	ONAL SPA	NISH BON	D FUTUR	ES (MEFF)			
	Open	Sett prior	Change	High	Low	Est. vol.	Open Int
Sep	117.28	117.57	+0.24	117.72	117.25	73,718	88.829
Dec	101.31	101,44	+0.30	101.52	101.30	1,785	2.962
UK							
	ONAL UK I	HLT FUTU	RES (LIFF	E) 250,00	0 32nds o	100%	
	Open	Sett price	Change	High	Low	Est. vol	Open int
Sep	115-01	115-04	+0-02	115-14	115-01	53924	170588
Dec	115-01	114-24	+0-02	115-01	114-22	749	10141
	GALT PUT					100%	
Strikes			us			PUTS -	
Price	Sep	Oct	Nov D	ec Se	p Oct	Nov	Dec
Price 115							Dec 1-44
	Sep 0-15 0-01	0-50	1-10 1-	ec \$6 28 0-0 83 0-5	7 1-02	1-25	
115 118	0-15	0-50 0-27	1-10 1- 0-48 0-	28 0-0	7 1-02 7 1-43	1-25 2-00	1-44
115 116 117	0-15 0-01	0-50 0-27 0-13	1-10 1- 0-48 0- 0-29 0-	28 0-0 63 0-5 42 1-5	7 1-02 7 1-43 8 2-29	1-25 2-00 2-45	1-44 2-15 2-58
115 116 117 Est vol 10	0-15 0-01 0	0-50 0-27 0-13	1-10 1- 0-48 0- 0-29 0-	28 0-0 63 0-5 42 1-5	7 1-02 7 1-43 8 2-29	1-25 2-00 2-45	1-44 2-15 2-58
115 116 117	0-15 0-01 0	0-50 0-27 0-13	1-10 1- 0-48 0- 0-29 0-	28 0-0 63 0-5 42 1-5	7 1-02 7 1-43 8 2-29	1-25 2-00 2-45	1-44 2-15 2-58
115 116 117 Est vol 16 <b>Eçu</b>	0-15 0-01 0	0-50 0-27 0-13 0-13 93 Puls 23	1-10 1- 0-48 0- 0-29 0- 15. Previous	28 0-0 63 0-5 42 1-5 day's open	7 1-02 7 1-43 8 2-29	1-25 2-00 2-45	1-44 2-15 2-58
115 116 117 Est vol 16 E <b>cu</b>	0-15 0-01 0 otal, Calla 49	0-50 0-27 0-13 0-13 93 Puls 23	1-10 1- 0-48 0- 0-29 0- 15. Previous	28 0-0 63 0-5 42 1-5 day's open	7 1-02 7 1-43 8 2-29	1-25 2-00 2-45 18650 Pus	1-44 2-15 2-58
115 116 117 Est vol 16 Ecu Ecu	0-15 0-01 0 otal, Calla 49	0-50 0-27 0-13 93 Puis 23 URES (MA	1-10 1- 0-48 0- 0-29 0- 15. Previous	28 0-0 83 0-5 42 1-5 day's open	7 1-02 7 1-43 6 2-29 int., Cade 4	1-25 2-00 2-45 18650 Pus	1-44 2-15 2-58 45034
115 116 117 Est vol 16 Ecu Ecu Ecu	0-15 0-01 0 otal, Calls 49 BONG FUTT	0-50 0-27 0-13 63 Puts 233 URIES (MA	1-10 1- 1-48 0- 1-29 0- 15. Previous TIF) ECU11	28 0-0 63 0-5 42 1-5 day's open 00,000 High	7 1-02 7 1-43 6 2-29 int., Carle 4	1-25 2-00 2-45 18650 Pus	1-44 2-15 2-58 45034
115 116 117 Est vol 16 Ecu Ecu I	C-15 C-01 Cotal, Cath 49 BOND FUTT Open 97.28	0-50 0-27 0-13 63 Purs 233 URIES (MA Set) price 97.24	1-10 1- 1-48 0- 1-29 0- 15. Previous TIF) ECU11	28 0-0 63 0-5 42 1-5 day's open 00,000 High 97,34	7 1-02 7 1-43 8 2-29 int. Carls 4	1-25 2-00 2-45 48550 Puss Est. vol. 595	1-44 2-15 2-58 45034
115 116 117 Est vol R Ecu Ecu Ecu I	0-15 0-01 0 ctal. Cath 49 BOND FUTT Open 97.28 97.00	0-50 0-27 0-13 93 Purs 23 URIES (MA Sett price 97.24 96.90	1-10 1- 0-48 0- 0-29 0- is. Previous TIF) ECU11 Change -0.08	28 0-0 83 0-5 42 1-5 day's open 00,000 High 97.34 97.00	7 1-02 7 1-43 8 2-29 int., Caste 4 Low 97.16 97.00	1-25 2-00 2-45 2-8550 Puss Est. vol. 595 1	1-44 2-15 2-58 45034
115 116 117 Est vol R Ecu Ecu Ecu I	C-15 C-01 Cotal, Cath 49 BOND FUTT Open 97.28	0-50 0-27 0-13 93 Purs 23 URIES (MA Sett price 97.24 96.90	1-10 1- 0-48 0- 0-29 0- is. Previous TIF) ECU11 Change -0.08	28 0-0 83 0-5 42 1-5 day's open 00,000 High 97.34 97.00	7 1-02 7 1-43 8 2-29 int., Cath 4 97.00 00 32nds 0	1-28 2-00 2-45 2-850 Puts Est. vol. 595 1	1-44 2-15 2-58 46034 Open int 5,883
115 116 117 Est vol n Ecu	O-15 O-01 O tall, Cath 49 BOND FUTT Open 97.25 97.00	0-50 0-27 0-13 95 Puts 23 URIES (MA Set price 97.24 96.90 Latest	1-10 1- 0-48 0- 0-29 0- 15. Previous TIF) ECU11 Change -0.08	28 0-0 83 0-5 42 1-5 day's open 97,000 Hägh 97,00 High	7 1-02 7 1-43 8 2-29 ins., Cath 4 97.16 97.00	1-28 2-00 2-45 2-8550 Puss 1595 1 01 100%	1-44 2-15 2-58 4e034 Open int
115 116 117 Est vol R Ecu	0-15 0-01 0 otal, Calla 49 BOND FUTT Open 97.28 97.00	0-50 0-27 0-13 0-13 93 Puts 23 URIES (MA Set) price 97.24 96.90 SONIO FUTI Latest 113-25	1-10 1- 1-48 0- 1-29 0- 15. Previous  TIFF ECU11  Change -0.08  Change -0-13	28 0-0 83 0-5 42 1-5 day's open 00,000 Hagh 97,34 97,00 High 114-08	7 1-02 7 1-43 6 2-29 int., Cate 4 Low 97.16 97.00	1-25 2-00 2-45 2-8550 Puts 595 1 of 100% Est. vol. 303,955	1-44 2-15 2-58 46034 Open int 5,883 Open int 502,334
115 116 117 Est. vol. 16 Ecu Ecu II Ecu Ecu II Ecu Ecu II	O-15 O-01 O tall, Cath 49 BOND FUTT Open 97.25 97.00	0-50 0-27 0-13 93 Puts 23 URIES (MA Set price 97-24 96.90 Latest 113-25 113-25	1-10 1- 0-48 0- 0-29 0- 15. Previous TIF) ECU11 Change -0.08	28 0-0 83 0-5 42 1-5 day's open 97,000 Hägh 97,00 High	7 1-02 7 1-43 8 2-29 int. Cate 4 97.16 97.00 10 32nds c Low 113-25	1-25 2-00 2-45 2-8550 Puts 595 1 of 100% Est. vol. 303,956 6,017	1-44 2-15 2-58 46034 Cpen int 5,883 Open int 502,334 61,828
115 116 117 Est vol R Ecu	0-15 0-01 0 otal, Calla 49 BOND FUTT Open 97.28 97.00 EASURY 5 Open 114-07	0-50 0-27 0-13 0-13 93 Puts 23 URIES (MA Set) price 97.24 96.90 SONIO FUTI Latest 113-25	1-10 1- 1-48 0- 1-29 0- 15. Previous  TIFF ECU11  Change -0.08  Change -0-13	28 0-0 83 0-5 42 1-5 day's open 00,000 Hagh 97,34 97,00 High 114-08	7 1-02 7 1-43 6 2-29 int., Cate 4 Low 97.16 97.00	1-25 2-00 2-45 2-8550 Puts 595 1 of 100% Est. vol. 303,955	1-44 2-15 2-58 46034 Open int 5,883 Open int 502,334
115 116 117 Est. vol. r. Ecu	0-15 0-01 0 ctal, Calls 49 BOND FUT Open 97.28 97.00 BEASURY 8 Open 114-07 113-28	0-50 0-27 0-13 93 Puts 23 URIES (MA Set price 97-24 96.90 Latest 113-25 113-25	1-10 1- 1-48 0- 1-29 0- 15. Previous  TIFF ECU11  Change -0.08  Change -0-13	28 0-0 83 0-5 42 1-5 day's open 00,000 Hagh 97,34 97,00 High 114-08	7 1-02 7 1-43 8 2-29 int. Cate 4 97.16 97.00 10 32nds c Low 113-25	1-25 2-00 2-45 2-8550 Puts 595 1 of 100% Est. vol. 303,956 6,017	1-44 2-15 2-58 46034 Cpen int 5,883 Open int 502,334 61,828
115 116 117 Est vol n Ecu u Ecu u Ecu u Ecu u Ecu u Sap Dec US US TF Sep Dec Mar	0-15 0-01 0 ctal, Calls 49 BOND FUT Open 97.28 97.00 REASURY 8 Open 114-07 113-28	0-50 0-27 0-13 63 Puts 23 63 Puts 23 64 price 97.24 96.90 30NED FUT 113-25 113-13 113-18	1-10 1- 1-48 0- 1-29 0- 15. Previous  TIF) ECUII  Change -0.06 - URIES (CE Change -0-13 -0-13	28 0-0 63 0-5 42 1-5 day's open 00,000 High 97.34 97.00 High 114-08 113-25	7 1-02 7 1-43 6 2-29 int., Caste 4 97.16 97.00 Low 113-25 113-13 113-09	1-25 2-00 2-45 2-8550 Puts 595 1 of 100% Est. vol. 303,956 8,017	1-44 2-15 2-58 46034 Cpen int 5,883 Open int 502,334 61,828
115 116 117 Est vol n Ecu u Ecu u Ecu u Ecu u Ecu u Sap Dec US US TF Sep Dec Mar	0-15 0-01 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0-50 0-27 0-13	1-10 1- 0-48 0- 0-29 0- 6. Prevous  TIFF ECUTI  Change -0.08 -0-13 -0-13 -0-13	28 0-0 83 0-5 42 1-5 42 1-5 42 1-5 487's open 97,34 97,00 High 114-08 113-28	7 1-02 7 1-43 6 2-29 int., Calls 4 97,16 97,00 00 32nds c Low 113-25 113-13 113-09	1-25 2-00 2-45 2-8550 Puls 595 1 of 1009/ Est. vol. 303,956 6,017 17	1-44 2-15 2-68 46034 Open int 5,683 Open int 502,334 61,828 32,402
115 116 117 Est vol n Ecu Ecu Ecu Ecu Sep Dec US US US TF	0-15 0-01 0 0 otal, Calls 49 BOND FUTT Open 97.28 97.00 BEASURY E Open 114-07 113-28 BNAL LONG 97100m 16	0-50 0-27 0-13 63 Puts 23 63 Puts 23 64 price 97.24 96.90 30NED FUT 113-25 113-13 113-18	1-10 1- 1-48 0- 1-29 0- 15. Previous  TIF) ECUII  Change -0.06 - URIES (CE Change -0-13 -0-13	28 0-0 63 0-5 42 1-5 42 1-5 427's open 97,34 97,00 67) \$100,00 114-08 113-28	7 1-02 7 1-43 6 2-29 int., Cath 4 97.16 97.00 00 32nds c Low 113-25 113-13 113-09	1-25 2-00 2-45 2-45 48550 Pus 595 1 1 61 100% Est. vol. 503,955 6,017 17	1-44 2-15 2-58 45034 Open int 5,883 Open int 502,334 61,828 32,402
115 116 117 Est vol n Ecu u Ecu u Ecu u Ecu u Ecu u Sap Dec US US TF Sep Dec Mar	0-15 0-01 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0-50 0-27 0-13	1-10 1- 0-48 0- 0-29 0- 6. Prevous  TIFF ECUTI  Change -0.08 -0-13 -0-13 -0-13	28 0-0 83 0-5 42 1-5 42 1-5 42 1-5 487's open 97,34 97,00 High 114-08 113-28	7 1-02 7 1-43 6 2-29 int., Calls 4 97,16 97,00 00 32nds c Low 113-25 113-13 113-09	1-25 2-00 2-45 2-8550 Puls 595 1 of 1009/ Est. vol. 303,956 6,017 17	1-44 2-15 2-68 46034 Open int 5,683 Open int 502,334 61,828 32,402

	02.83	102		-0.13 -0.13		02.94 02.06			131 532	Sej De	C	128	7 <u>.24</u> 8.46 60 tre	ded on	127.33 127.23 3002 r/a 128.51 128.46 1598 r/a 1 APT. All Open interest figs. are for previous day.
UK GIL	TS F	PRIC	ES										E		
	Notes	- '	feiti Red	Price E	+ or -		eek Low	Holies	<u> </u>	Red	Price 2	+ or –	_ 52 t High	LOW	
iteris" (Liver up 1	p Five Ye	pors)				-		Conv 9120c 2004	8.36	7.03	11343		114[]	109	
resc 6 4pc 1997#	<b>:</b>	0.75		100公司	-	10733	100人		6.65	6.98	967	+14			454pc 98#(135.6) - 1.92 114\$ 114\$ 113
ach 1500 1997		14.79	6.60	101月	*	1104	10143	Canv 912ac 2005	8.32	7.05	1142	+4	12233	1107	
ach 9-kpc 1998		9.65	6.93	101		10433	100%	Both 101200 2005	8.69	7.06	120[3	***	1213	1173	
reas 74pc 1998		7.24	7.01	100 <sup>1</sup> a		109	1000	Types 12 <sup>1</sup> 200; 2003-5	2.85	7.07	12013	***	1294	12.93	
neas 15½pc 198##		14.25	7.06	108		1175	10033	Trees 812pc 2005##	7.50 8.27	7.03	1095	++>		1041	
nch 12pc 1999		11.35	7.06	10513	-34	11112	1051	Conv 94.ps 2008	727	7.02	117	+45		1131	
eza 912pc 1990‡	<b>;</b> _	9.21	7.07	1032		1063		Treat 740c 200811	7.42	7.05	103.3			97.	
eas Filig Rate 1990	<b>#</b> #—	-	-	1003	_	100,2	外设	Trees Suc 2002-841	7.73	7.16	10412	710	1074	9712	
ch 124pc 1999		11.38	7.08	1073		11343			9.74	7.00	103.7	+10	104.	10013	
1945 10 <sup>1</sup> 2 pc 1999 .		9.95	7.08	105 <sup>1</sup> 2	+47	110%		Tream 114pc 2003-7	7.72	7.06	120(3	+10	123.	1154	2 <sup>1</sup> 20c 78
ses 6oc 1999 #		6.11	8.96	9514	かかかか	991		Total 81200 2007 ##			1102		1114	103	
от 10 <sup>1</sup> 4pc 1999 .		9.63	7.05	106亿	**	1101 <sub>2</sub>		Tagas 74-pc 2007##	7.12 10.13	6.99 7,10	1011	**2	1025	96	
mas 81 <sub>2</sub> pc 2000 -	<del>4</del>	8.25	7.12	103,3	+4	104,5	10233	Times 131zpc 2004-5*	7.52	7.01	1337	all g	134%		
m 9pc 7000## _		6.02	7 07	1043	+4	10712		Treat 6pc 2005 #	7.42	7.01	1154	+14	1084		
eas 1300 2000		11.29	7.10	1154	+4	120%		Tream Spc 2009	6.70	7 03		*18	965	53%	
eas 14pc 1996-1.		13.34	7.01	10433	-7/	11253		Trace 614pc 2010##		7.03	937	***			induction to 0 and the sales of the contract have been adjusted to
eas 800 2000## -		7.78	702	1024	+1	10433		Conv Spc La 2011 ##	7.66	7.03	1174	+14	1183	167	reflect rebesing of RPI to 100 in February 1987. Conversion
eas Flag Rate 2001			_	10032		100,4	2233								factor 3.945. FP4 for December 1995; 154.4 and for July 1997
ezs 10pc 2001		9.16	7.671	05%	+4	11233	9611								157.5.
70 9120C 2001 _	× .	8.80	7.12	10724	+14	108.5	1077								
m 9 \pc 2001		8.95	7.11	109	+40	110#	108 <sup>1</sup> 2	Over Fifteen Years							
## 3 4pt 2001		701	7.01	997	+1	1014	98.	Totals State 20121#	7.64		17日本	+10	119	10512	
eas 7pc (1001 # .		11.27	.09	10613	- 7	1092	10513	Topas 51-20: 2008-1214-	6.26	6.83	8733	-	201	771	
ch 12pc 1999-2_	——ž		7.09	1112	ã	112%	109E	frees Bot 2013##	7.33	7.02	1097	+4	11012	9733	
им 10рс 2002	<b>2</b>	8.98	6.95	100%				Treat 74-pt 2012-15##	7.30	7.05	100%	_	1078	95%	
ezs Tpc 2002## -	_	6.99	47,80	IUU-g	734	19116	14	Trees Out 2015##	7.24	6.98	11013	+4	11133	973	Other Fixed Interest
								Trees 6 Aux 2017#1	7.30		1842	+4	1704	103/1	
								100 040 CP17+	B.12	7.02	14713	+16	14812	1383	
								East 12pc 2013-17	7.13	6.93	1124	+14		978	
e in Filteen Year								Tress 8pc 2021#	1.13			-14		12	Notes Int Red Price E + or - High Low
	- A	3.66	7.10	10914	- 2	11073	108 <sup>1</sup> a								Anima Provident and annual services and annual
91-pr 2002 -	··-T	8.78		11/2	-5	110 <u>33</u> 1224	10912								Asian Dev 104-pc 2009 8.41 7.40 1217 12311 114
es; 9 kpc 2002		632	711	108-3	+2	1094	106.4								B Nam 1112 pt 2012 8 % 7.70 13412 13412 12
ch 9pc 2002	¥			1124	TN	1133		Codeted				_			Leeds 13 200 2006 9,75 1384 1414 131
ar 9‰c 2003		9.69	7.09	10442	1	10533		Compois 400	7.31	-	544	+2	55%	474	Linespect 31/20c irrod 751 - 45 45 372

		All-A	627	SERVICE		LON				
ted are the latest international boro lise.od		other City		dequate secondary market. Latest pricessed		Offer Offer		-	20 Jacuard Bid	Offer Chg
L DOLLAR STRAKHTS				Span 7 <sup>1</sup> 4 03 4000		11012	4			1023 1
bey Ned Treasury 612 00 1000		100% -1		Volkswagen Int Fin 7 03 1000		1043	1_	5.30 5.03	British Land 87, 23 E 150 107% Derwark 64, 98 E 800 99%	
N ATTO Bank 714 05 1000 ·	1024	1084 -		World Bank 5% 03 3000 World Bank 6% 02 3000	1065	10512				9838 +7
eria Province 75 99 1000	1011	101%		World Bank 7 to 05	1101	11012	ī	5.87	EBS 8 08 E 1000 1084	103 2
enting 113- 17 2000 :		1184		1100 00011 000 0000			•		Finland 7 00 P 500 994	991 <sub>2</sub>
m Dev Bank 64 US 750	DB <sup>4</sup>	98% -4		SWISS FRANC STRAIGHTS					Glaso Walcome 8% 05 £ 500 107%	1073
	105	10579	619	Aelan Dev Bank 0 18 500	434	4414		4.58	HSBC Holdings 11.69 02 £ 365 1163	1165 1
ion-Wuest L-7n 84 00 1000 1		1044	622	Austra 41 <sub>2</sub> 00 1000	105	1054 1041 <sub>2</sub>	-		taly 10 <sup>1</sup> 2 14 € 400 128	1284
terment 7 <sup>2</sup> 4 Q4 1000 Ned Germeenten 7 99 1000 1	54 L	1014	6.05	Dermark 44 99 1000	100%	109-2	-4		Japan Dev Bk 7 00 £ 200 99½ Land Secs 9½ 07 £ 200 112½	991 <sub>2</sub> 1121 <sub>2</sub> +1 <sub>8</sub>
	104	1044 4		B6 5% 99 1000 B6 6% 04 309	1152	11512		4.28	Latic Sets 92 of £ 200 1101s Ontario 111s 01 £ 100 1101s Powerger 67 08 £ 250 1051s Seven Frank 111s 99 £ 150 1051s Tokyo Bioc Power 11 07 £ 150 111 TCNZ Fin 91s of NZS 75 1051s	110%
- Size Size (1777)	957			Curbon 71, 00 900	1104	11012	4	227	Powerrant 87 09 C	10532 13
	105	95½ -1	6.41	Helaba Finence 3% 00 1000	1045	1047	-	230	Severn Trunt 1112 89 2 150 10612	106 4
it Gas 0 27 1500	274	1712	7.50	toward 75 00 100	17418	1145		2.50	Tolgo Bec Pomer 11 01 £ 150 171	1174 +4
st Telecom 64 02	101%	1014		inter Amer Dev 4% 03 600		108%		219	TONZ Ph 94 02 NZ\$ 75 1055	105 <sup>3</sup> s
acta 8 <sup>1</sup> g 05 1500	96 4	997, 1		Ortario 6% 05 400	1154	1153	44	210	TOTAL DONG SO INC CAN INIT	LONG THE THE
ung Kong Fin 5 <sup>1</sup> z 98 500	BEA.	99 +1		Quebec Hydro 5 08 100	103Pa	1043		4.56	Credit Local 6 01 FF7 8000 1041k	104%
8 6 1 <sub>2</sub> 04 1000 2 Forcier 9 1 <sub>2</sub> 89 300 1	88	9874	7.01	SNCF 7 04 450	121	1212		3.61	Denmark 512 89 FF7 7000 1027	100
Japan Rahmy 6 to 04 800	583	100 -	6.05 E.54	Sweden 44, 08 500 World Bunk 0 21 700	913	1087 317		3.21 4.84	Bec de France 64, 22 FFr 3000 1297	T30%
	98	994 1		World Bank 7 01 500	1347	1151		2.55	FLOATING RATE NOTES	
m Rank James R CP 500 1	1053	1085		1000000		,	•		leaved Bid	Offer
on Capital 0 041600	B414	B412	5.30	YEN STRAIGHTS						
on Capital 0 04 1600 Horns Loan 7 g 99 1500 1 ral Nati Mort 7.40 04 1500 1	102	1024	8.02	Belgkan 5 99	1093	1095		0.91	Abbay Netl Treasury - 1: 99 1000 99.95 Argentaria Global Fin 0 01 700 99.76	
ral Ned Mort 7.40 Ot 1500 1	102.5	1055		EB 6 1 00 100000		11478		0.84	Argentaria Global Fin 0 01 700 99.76 Cacks - 2 01	
nd 7% C4 1500 1	106 4	1083	6.49	En-tra Bank Japan 43, 03 105000	1144	115 <sup>1</sup> a 102 <sup>1</sup> a	.1	1.78	Cartes - 2000 99.67 Carrects - 99 2000 99.67	
	967	100 -1 261 +1	8.54	Fed Nat Mort 2 98 100000 Inter Arrer Dev 74, 00 30000	1127		7	0.86	CCCE 0 08 Equ 200 99.75	
ref Mile () 13 1000 inerca 51, 98 650	28 98%	2014 H		₩y 3½ 01 200000	1001	1081	4	1.32	Commercials C/S Pin -1 98 750 . 99.84	99.91
Armer Day RL 06 1000	80	264 -		bak 5 DK 200000	1194	11912		2.13	3CF 0.15 08 DM 1250 100.11 Credit Lyonnels & 00 800 98.58	
Arrier Dev 6 <sup>1</sup> 2 05 1000 1000 500 1	1054	10512		lay 5 04 200000 Japan Dev Bk 5 98 100000 Japan Dev Bk 6 <sup>1</sup> 2 01 120000	1083	1087		0.86	Credit Lyonnets 1, 00	
France SL 00 470	99	9814 -1	5.00	Jepan Dev Bk 6 <sup>1</sup> 2 01 120000	120%	120%	4le	1.28	Fed Not Mort - 2 00 1000 99.12	
500 2000 67 <sub>1</sub> 23 3500 an Dev Sk 67 <sub>8</sub> 01 500 1 ss Dec Power 67 <sub>8</sub> 05 1350	99	994 J		SNCF 64 00	1142	1144		092	Financi -1, 99 1500 99.98 Halles BS 0 99 500 100,05	
67 23 3500	81,5	17 A		Spain 54, 12 125000	1184	119		1,49	Me Bank Int 14 98 500 100.33	
n Dev Bk 8 2 01 500 1	108 4	1061 <sub>2</sub> -18		Seeden 3/9 99 75000	1057	1057	-1-	0.78	tally 0 05 Equ 1000 99.76	
suchtia Bac 74, 02 1000 1	964	103 pt -pt	7.14 6.45	Moud Black 2.4 rs Sproon	117-8	117-4	44	1.38	kmly & 99 1500 100.33	100.38
	107	1074	896	OTHER STRAIGHTS					UKB Barden-Wuert Fin -1, 98 . 1000 99.96	
in Russia 94: 01 1000 1	025	1027	B.68		9614	10014	4	15.36	Lloyds Bank Perp S 0.10 500 90.50	
rto 71g 03 3000 1	104	10412 -	6.54	World Bank 15 99 R 500	1004	1014	1		Maleyala & 08 650 99.80	100.09 5
nto 7 <sup>1</sup> g 03 3000 1 nto 7 <sup>1</sup> g 02 2000 1 r Kontrotherik 8 <sup>1</sup> 2 01 200 1	1055	1054	6.47	Austria 61/2 99 Pl 1000		1041	4	4.10	Nove Scotia 2 99 500 99.97 Orderio 0 98 200 100.33 Portugal 2 99 0M 2500 100.28 Quebeo Hydro 0 99 500 99.65	T00.20 5
Kontrollberik 8 <sup>2</sup> 2 01 200 1	ios-		6.35		1044	100		5.80	Protecti & 99 DM 2500 100.26	100.33
ugel 544 00 1000	97'2	1034 -4	8.34 B.24	Bet Canada 10% 99 CS 150 British Columbia 7% 08 CS 1250	110%	110 <sup>1</sup> g	3	5.76	Quebec Hydro () 99 500 99.65	- 99.95 5
10.00 200 1	105	1053	6.39	Carracta May & Hang 84 99 CS . 1000		1055	٦,	4.77	Herste (198 500 98.63	300000 0
562 RQ 1500 1	m/Z	101	6.04	Bec de France 84, 99 CS 275		1003	٠,	4.95	Spain -1: 02 DM 2000 100.09 State Sk Victoria 0.05 99 125 99.95	
ten 8 <sup>1</sup> 2 03 2000 1	014	101h 1	6.30	KW bit Fin 10 01 CS 400	1144	1145	يد	5.45	State Sk Victoria 0.05 99 125 99.95	
gel 54 00 1000 sec Hydro 94 98 150 1 10 99 200 16 19 50 1500 1 10 99 200 1500 1500 1 164 95 200 1 1650 1500 1 1650 1500 1 1650 1500 1 1650 1500 1 1650 1500 1	98	284 ユ 285 ユ	5.22	Navy Tel Tel 104 99 CS 200	1103e	4405-	-1-	5.05	Sweden -1 01 2000 100,000 United Kingdom -1 01 2000 98,93	100.09 5 98.97 5
C Sec Power 64 08 2000	2012	995	6.55	Ontario 8 03 C5 1500 Ontario Hydro 9 02 CS 2000 Ontario Hydro 10% 99 CS 500	1114	1114	Ξ,	5.71	CHES (#QUOTE — 1 VI 2000   68.83	<b>8</b> 0.57 3
G Bec Power 64 08 1000	994	100	6.17	Orderio Hydro 9 (2 LS 2000	114-2	1147 <sub>1</sub> 1093 <sub>2</sub>	궃	5.59	CONVERTIBLE BONDS	
te Motor Crack 7 U7 1000 1		102%		Optor Konisolibank 10% 99 CS 150	100%		3	4.80	Cony.	
d Kingdom 5%, 01	THE PERSON NAMED IN	1023g -38	6.08	Custom Harton 7 DK CS 1000	1055	1057		607	issued Price	Bid Offer S
d Kingdom 7 <sup>1</sup> 4 ti2 3000 1 Deney 6 <sup>3</sup> 2 01 1300 1 d Bank 6 <sup>3</sup> 2 05 1500	mil.	100%	643	Ousted Hydro 7 Or CS 1000 Ousted Prov 1012 98 CS 200	107	1073			Alfied-Lyons 6% 08 £ 200 6.04	99% 100% ±
Bank 64 05 1500	997	1001 -	6.50	Council Burge 9 01 Equ 1100	1144	11412	44			054 108° +
Bark 8 <sup>1</sup> , 99 1500 1	05	105%	5.84	Credit Forcier 67s Of Ecs 1000	1124	1133	4	594	Grand Metropoliter 67: 00 - 710 487 1	35 <sup>1</sup> 2 136 <sup>1</sup> 2
				Dermark 5 <sup>1</sup> 2 02 Ecu 1000 EC 6 00 Ecu 1100	1135g	1137		5.14	Hong Kong Land 4 01 410 31.05	994 100k
TSCHE MARK STRAIGHTS	a La					10312	+14	4.57		99 87
12 6 <sup>1</sup> 2 24 2000 1	1007	101	6.43	ES 10 01 Esu 1150	1154	116 <sup>1</sup> 2		4.84	Land Secs 9 04 2 175 7.45	126 127
n-wutiff (-Finance 5 99 _ 2000 1	1004	103-4	4,00	Friend \$1 <sub>2</sub> 07 Eq	1261	118 <sup>1</sup> g 127 <sup>1</sup> 4	7	6.26	10000 74; 05 £ 90 584	97 2 96 2 98 1 10 4
Forcier 74 00 2000 1	USQ.	100	5.90	Park 1034 00 Fox	114%	1144		4.84	MES. Int Fin 3 (2) 2000 22 14 Mittaul Bank 2 <sup>5</sup> g (3) 200 2332.6	99% 110% ·
Finance 6 <sup>3</sup> 1 03 1500 1	ns.	1054s -1e	5.77	United Kingdom 9th on Equ 2750	1131	11332		4.90	NFC 74 07 2 83 2.67	25 <sup>1</sup> 2 95 <sup>1</sup> 2
		1105 L	531	APC: 10:99 AS 100	107 2	1074	٦.	564	P60 74 05 C 150 6.72 1	
the Bk Fin 7 <sup>1</sup> 2 00 2000 11 state Presence 5 <sup>1</sup> 4 04 2500 H		1034 44	5 19	Contra 5k Australia 134, 99 AS 100	1154	115		5.77		317, 1927
6 <sup>1</sup> 2 00 2900 1		INC. L	437	GR 71 98 AS 350	104%	1055	7	5.16		573
P <sub>4</sub> 00 1500 1		1044	429	Hat Australia Berk 64 99 AS 250	1011	10112	4		Support 1 to 00 Y 40000 -1059.4 10	
nd 71 <sub>2</sub> 00 3000 1		107h 1	473	MSW THERETY Zero 0 20 AS 1000	20%	214	ų,	7.08	Sun Alience 71 08 2 155 3.9 .11	139 <sup>1</sup> 4 +
	722	1027	175	R&   Bark 74 00 AS	10512	105%			Transationaic History 512-09 2 . 250 5.05 11	
25 TH 34 UT										
he hat \$4,01 1500 H hat France 64,03 2250 10	051	1055a .l.	5 tA	State Bk NSW 9 02 AS 200 Sth Aust Gove Fin 9 02 AS 150	11012	110% 110%	12	6.50	Yamanouchi Ph. 13, 00 Y 30000 2555.7 12 No information qualitatie - previous day's job	204 12134 -





### **CURRENCIES AND MONEY**

# Dollar gains as trade gap shrinks

AUGUSTA .

ge-linked note

A Ball of

4.34

The dollar rose yesterday as the US trade deficit shrank per cent against the dollar and a German interest rate between June 6 and August

distant prospect. The US trade deficit fell 14.5 per cent in June, sooth against the dollar for most of ing fears that Washington the previous two weeks. might seek a weaker dollar . Chris Furness, senior marin order to improve its trade ket strategist at 4Cast in figures. But the dollar harely London, said: "I think the moved against the yen yes- market was spoofed a little terday, closing in London at bit by the Bundesbank." Y118.1, as the bilateral US However, traders did not deficit, with Japan grew, entirely relax their guard "The trade issue with Japan against a rate move, with a still looms large," warned shift to a variable reporate Gerard Lyons, chief econo- still thought possible.

continued to digeat weak German M3 figures and comments from a Bundesbanker earlier this week. Mr Hans-Jürgen Krupp, Bundesbank council member, had argued against a rate rise. Most

traders now expect the coun- rallied the D-Mark only cil to leave rates unchanged briefly. The dollar broke when it meets today after its through technical resistance four-week summer holiday.

change became an ever more 6, the Bundesbank hinted several times at a rate rise. That lifted the D-Mark

mist at DKB International in Even the strongest German Ifo survey of husiness this month tha dollar's aurge Meanwhile, tha market sentiment since March 1995

	Aug 20	(zizz)	Prev. close
	£ soot	1.5935	1.6060
	1 mth	1.5014	1.6038
	3 math	1,5874	1.5000
:	1 yr -	1.5709	1,5830

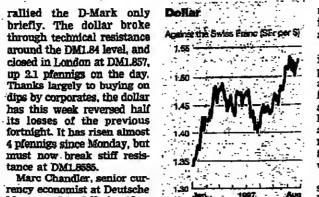
around the DM1.84 level, and As the D-Mark plunged 11 closed in London at DM1.857, up 2.1 pfennigs on the day. Thanks largely to buying on dips by corporates, the dollar has this week reversed half fortnight. It has risen almost

> tance at DM1.8585. Marc Chandler, senior currency economist at Deutsche Morgan Grenfell in New York, said: "We've found the bottom of the dollar's trading range against the D-Mark, just above DM1.80. Now we're trying to find the

must now break stiff resis-

figures showing that UK retail sales increased about as fast as expected in July, while M4 money supply grew slightly slower than expected in July and people are dancing to.

There is a dearth of new theories on currencies at the moment. In Mr Chandler's moment. In Mr Chandler's not a new some physics of the moment of the



ted, though still at the highest rate since 1990. Starling fell 1.3 cents against the doltop of the range." Earlier lar to \$1.593, but rose 0.7 pfennigs against the D-Mark stopped just short of DM1.90. to DM2.957.

■ The pound shrugged off ■ There is a dearth of new

DOLLAR SPOT FORWARD AGAINST THE DOLLAR

many of the great questions the dollar as a weapon to in the market have been shrink the surplus.

answered for now. Most traders can see no now believe that Tokyo is interest rate moves in pros- trying to keep the dollar in a pect. The US and Japan range of Y110-Y120 to the appear to have rates on hold yen. True or false, that belief for now, with inflation in itself is keeping the dolabsent; the Bank of England lar/yen rate quiescent. has said it has rates on hold: and prospects of a German July as the market decided

the market for the last few be a weak currency. For weeks, are fading. Secondly, there is little sign of a "trade war" out J.P. Morgan argues that between the US and Japan the weak euro is fully priced that could weaken the dol- into the market. iar. Certainly, US officials hava been shaking fists at against the D-Mark, with the Tokyo about the rising Japa-

nese trade surplus. However, none has threatened to use

One storth Three months One year IP Morger Rate %PA Rate %PA Rate %PA index

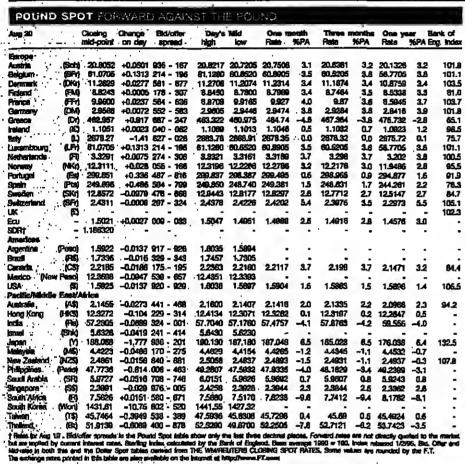
Most currency strategists

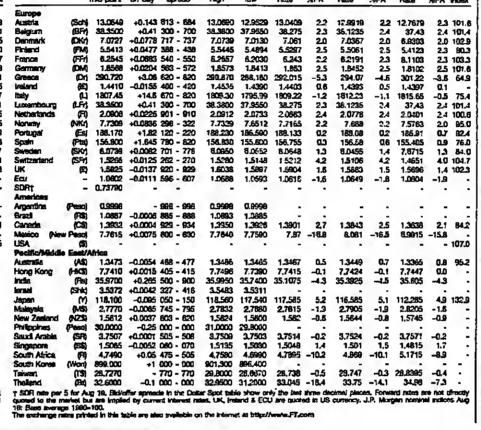
The D-Mark plunged in rate rise, the main topic in that the future euro would now, however, that debate seems to have played itself

> The dollar is seesawing strong US economy driving it higher and snapping Bundeshankers occasionally sending it back down. However, for the market to find a new direction might require some news. With little economic data due out in the Chandler, "I think we're going to have some summer doldrums."

August 29	MUNET									
Pelegistra	August 20		Over	One	Three			Lomb.	Des.	Repo
France			HERRIT	moran			year	mier.	rate	rate
Carriadry   3   3   3   3   3   3   3   3   3					3₽		3*	6.00	2.50	
Personnel   64   64   62   67   67   67   67   67   67   67						35		3.10	-	4.75
Bedy						3 <u>"</u>		4.50	2.50	3.00
Section of the content of the cont									-	
Supplementary   Supplementar								7.75		
Section   Sect								-		
Second   Process   Proce								-		
Section   Process				=				_		
	W \$ LEOD E	Time	_=	<del></del> -					U.A.R.	
Second   Color   Col				5%	52	58	521	_		
SUPL Linkbook   Dec   48			-					_		. <u>-</u>
Company   Comp	ECU Linked I	Ds	-	43				-	_	
Second   Decided   Part   Decided   Part   Decided   D			-					-	-	
Second   Decided   Part   Decided   Part   Decided   D	S LIBOR Intert	benk for	ing rate	-	flered ri	ites for	S10m quot	ed to th		het by tour
EURO CURRENCY   INTEREST RATES	Vitautahi Ber	SENS OF	d Natio	nel Was	minster.	ine park	a we: ban	wers True	ot, Bar	ok of Tokyo
Autg 20	Mid rates are sh	own for	the don	metic Mo	ney Rule	a, USS CI	Dat ECU 6 9	DR Links	d Depo	DSA (DSA
Autg 20	EUDO C	IDD	EUC	V IN	TED	сет	DATES			
Bedgian Franc   Sig. 3-3-3-3-3-3-3-3-3-3-3-3-3-3-3-3-3-3-3-										_
Begian Franc	AUG 20									
Daniel Krone   34   34   34   34   34   34   34   3									_	
Cemma Mark   34 - 21   34 - 34   34 - 37   31 - 31   31					355 35	316				
Dutch Children								713	25	
French Franc  34 - 34 - 34 - 34 - 34 - 34 - 34 - 34								350 -	33	344 315
Portuguiste Exc. 58 - 54 - 54   54									313	343 - 313
Steffing	Portugueta Es	c. 543	- 516	534 - 5	51 <sub>2</sub> 51 <sub>2</sub>	- 5l <sub>2</sub>	512 - 513	5,7 -	53 <sub>8</sub>	52 - 54
Swites Franc							512 - 514	572 -	54	516 - 512
Camodian Dother   34   31   34   31   33   33   34   34	Sterling				4 1	- 74	74 - 75	72	74	语 : 浩
LSD Collet					1 2	- 111		32		
Italian   Lima   7/3 - 6/3   6/3 - 6/3					55	- 513			517	521 . 522
Asian SSing 21: -2 31: -34: 31: -34: 31: -34: 4 - 37: 58chort term mates are call for the US Dolar and Yon. Chers: Now days: notice.  ENTHREE MONTH PEROR FUTURIES (MATE/Parls Interbenk offered rate  Open Sett price Change High Low Est. vol Open Int. Chemistry 10: -35: 59: 59: 59: 59: 59: 59: 59: 59: 59: 5	Italian Lina			613 - 6	6		64 - 63	64 -	632	613 - 612
State   Stat									13	级 - 级
THREE MONTH PRIOR FUTURES (MATE)Pairs Interbank offered nate									34	4 - 3%
Open   Sett price   Change   High   Low   Est. vol   Open Int.   Sep   96.53   96.53   -0.01   96.54   96.51   7,768   66.934     Mar   96.26   96.25   -0.04   96.40   96.31   31.526     BI THREE MONTH EUROMARK FUTURIES (LIFFE)* OM1m points of 100%										
Sep										
Dec   96.39   96.35   -0.04   96.40   96.34   14,466   37,599					_	_				-
Mar   96.26   96.25   -0.03   96.27   96.23   8,815   31.526										
THREE MONTH EUROMARK FUTURES (LIFFE) OM1m points of 100%										
Open   Sett price   Change   High   Low   Est, vol   Open int.	Mar a	0.26	90.	٠ .	0.03	90.27	80.23	9,0	115	31.320
Dec   96.56   96.57   -0.03   96.58   96.58   100   1787	THREE M	ONTH	EUR	MARK	FUTU	RES (Li	FFE)* OM1	lm poin	ts of	100%
Dec   96.56   96.57   -0.03   96.58   96.58   100   1787		Open	Sett p	rice Cl	hange	High	Low	Est.	vol	Open int.
Dec   96.49   98.44   -0.05   96.49   98.41   43723   291250     Mar   98.37   96.31   -0.08   96.37   96.26   37408   280899     Jun   98.15   96.09   -0.09   96.17   96.07   48232   205562     BONE BONTH EUROMARK FUTURES (LIFFE) DM3m points of 100%     Den   Sett price   Change   High   Low   Est. vol   Open Int.     Sep   96.73   -0.03   0 348     Oct   96.65   -0.04   0 265     Oct   96.65   -0.04   0 265     Oct   96.61   -0.05   0 60     Oce   96.41   -0.04   0 700     THREE MONTH EUROLIRA FUTURES (LIFFE) L1000m points of 100%     Open   Sett price   Change   High   Low   Est. vol   Open Int.     Sep   93.25   93.29   +0.04   93.29   93.24   9643   93453     Mar   93.64   93.99   +0.05   94.01   93.94   9560   53452     Jun   94.17   94.21   +0.04   94.25   94.17   5723   44324     THREE MONTH EURO SWISS FRANC PUTURES (LIFFE) Shim points of 100%     Dec   96.47   96.46   - 98.50   98.44   2192   81262     Dec   96.24   98.24   +0.01   98.27   98.20   7216   52148     Mar   99.11   98.12   +0.02   99.14   99.08   2220   27246     Mar   99.30   +0.01   99.30   99.30   43   n/a     Mar   99.40   99.30   +0.01   99.30   99.30   43   n/a     Mar   99.84   96.85   -0.02   95.64   96.51   307   5977     Jun   95.48   96.45   -0.03   95.56   96.51   307   5977     Jun   95.48   96.45   -0.03   95.48   96.44   82   3396     LIFFE haurs side braded on APT   EUROLIRA OPTIONS (LIFFE) L1000m points of 100%					_	_	96.58			-
Den   Set price   Change   High   Low   Est. vol   Open int.		6.49	96.4					437	723	
Open   Sett price   Change   High   Low   Est. vol   Open   Int.										
Open   Sett price   Change   High   Low   Est. vol   Open   Int.										
Sep	S OHE SON		SROM	ARK P	TURE	S (LIFFE	.), DW3w	points (	of 100	)%
Cct         96.65         -0.04         0         265           Nov         96.60         -0.05         0         50         50           Dec         96.41         -0.04         0         700           ■ THREE BRONTH EUROURA FUTURES (LIFFE)* L1000m points of 100%           Sep         93.25         93.29         +0.04         93.29         93.24         96.43         99012           Dec         83.61         93.69         +0.07         93.70         93.60         26950         93.52           Jun         94.17         94.21         +0.05         94.01         93.94         9560         53452           Jun         94.17         94.21         +0.05         94.01         93.94         9560         53452           Jun         94.17         94.21         +0.05         94.01         93.94         9560         53452           Jun         94.17         94.21         +0.05         94.25         94.17         5723         44324           B THREE BRONTH EURO SWISS FRANC FUTURES (LIFTE) SFrim points of 100%           Sep         96.46         -         98.50         98.44         2192         81262           Dec         98.24         98	0	pen	Sett p	rice Ci	nange	High	Low	Est.	vol	Open int.
Cct         96.65         -0.04         0         265           Nov         96.60         -0.05         0         50         50           Dec         96.41         -0.04         0         700           ■ THREE BRONTH EUROURA FUTURES (LIFFE)* L1000m points of 100%           Sep         93.25         93.29         +0.04         93.29         93.24         96.43         99012           Dec         83.61         93.69         +0.07         93.70         93.60         26950         93.52           Jun         94.17         94.21         +0.05         94.01         93.94         9560         53452           Jun         94.17         94.21         +0.05         94.01         93.94         9560         53452           Jun         94.17         94.21         +0.05         94.01         93.94         9560         53452           Jun         94.17         94.21         +0.05         94.25         94.17         5723         44324           B THREE BRONTH EURO SWISS FRANC FUTURES (LIFTE) SFrim points of 100%           Sep         96.46         -         98.50         98.44         2192         81262           Dec         98.24         98	Sep		96.7	з -	0.03			(	3	
Dec	Oct									
THREE MONTH EUROLIRA FUTURIES (LIFFE) L1000m points of 100%										
Open   Sett price   Change   High   Low   Est. vol   Open int.										
Sep   93.25   93.29   +0.04   93.29   93.24   9643   99012	THREE M	CNTH	EURC	LIRA F	UTUR	BS (LIFF	E). F1000	m poin	5 OF 3	100%
Dec   83.61   83.69   +0.07   93.70   93.60   26950   93453	C	pen	Sett p	nce Ci	nange	High	Low	Est.	voi	Open int.
Mar   93.94   93.99   +0.05   94.01   93.94   9560   53452	Sep 9	3.25	93.2	9 +	0.D4	93.29	93.24	96	43	99012
Den										
Three Month Euro Shriss Franc Futures (UFF2) Sirtem points of 100%										
Open   Sett price   Change   High   Low   Est. vol   Open Int.										
Sep   96.47   96.46   98.50   98.44   2192   81262	E THREE MON	TTH EU	RO SW	195 FRA	JIC PUT	(L	JI-FE) SFr10	ı points	of 100	**
Dec	0	pen	Sett p	rice Ci	ange	High	Low	Est.	voi	Open Int.
Dec         98.24         98.24         +0.01         98.27         98.20         7216         52148           Mar         98.11         98.12         +0.02         98.14         98.08         2220         27246           Jun         67.94         97.94         +0.01         67.94         97.88         799         8371           THREE MONTH EUROYEN FUTURES (LIFFE) Y100m points of 100%           Sep         99.44         -         0         n/a           Dec         99.40         99.39         -         99.40         99.40         43         n/a           Mar         98.30         +0.01         99.20         99.30         43         n/a           Mar         98.30         +0.01         99.30         99.30         43         n/a           Mar         98.40         99.30         +0.01         99.30         99.30         43         n/a           Dec         89.30         +0.01         99.20         99.30         43         n/a           All THREE MONTH ECU FUTURES (LIFFE) Eculim points of 100%         Est. vol Open Int.         100%         100%         100%           Sep         95.64         95.62         -0.02         95.6	Sep 9	6.47	96.4	В				21	92	81262
Sum	Dec 9									
THREE MONTH EUROYEN FUTURES (LIFFE) V100m points of 100%										
Open   Sett price   Change   High   Low   Est. vol   Open   Int.										
Sep	THREE IN	DHTH	EURO	YEN P	TURE	S (LIFF	E) Y100m	points o	× 100	796
Dec         99.40         99.39         -         99.40         99.30         43         n/s           Mar         99.30         99.30         +0.01         99.30         99.30         43         n/s           III THRISE MONTH ECU FUTURES (LIFFE) Ecu¹m points of 100%           Open Sett price Change High Low Est. vol Open Int,           Sep 95.64         95.62         -0.02         95.64         95.61         1117         10575           Dec         95.58         95.54         -0.03         95.56         95.54         762         9669           Mar         95.53         95.45         -0.03         95.46         95.51         307         5977           Jun         95.48         95.45         -0.03         95.48         95.44         82         3396           LIFFE haurs also maided on APT         II ECUROLITA OPTIONS (LIFFE) L1000m points of 100%           Strike         CALLS         PUTS           Price         Sep         Dec         Mar           Strike         CALLS         PUTS           Price         Sep         Dec         Mar           3225         0.00         0.50         0.83         0.05         0.06         0.07	0	pen	Sett p	rice Ch	ange	Hìgh	Low	Est	voi (	Open Int.
Dec         99.40         99.39         -         99.40         99.30         43         n/s           Mar         99.30         99.30         +0.01         99.30         99.30         43         n/s           III THRISE MONTH ECU FUTURES (LIFFE) Ecu¹m points of 100%           Open Sett price Change High Low Est. vol Open Int,           Sep 95.64         95.62         -0.02         95.64         95.61         1117         10575           Dec         95.58         95.54         -0.03         95.56         95.54         762         9669           Mar         95.53         95.45         -0.03         95.46         95.51         307         5977           Jun         95.48         95.45         -0.03         95.48         95.44         82         3396           LIFFE haurs also maided on APT         II ECUROLITA OPTIONS (LIFFE) L1000m points of 100%           Strike         CALLS         PUTS           Price         Sep         Dec         Mar           Strike         CALLS         PUTS           Price         Sep         Dec         Mar           3225         0.00         0.50         0.83         0.05         0.06         0.07										
THURSE MONTH ECU FUTURES (LIFFE) Ecu1m points of 100%		9,40			•					
Open   Sett price   Change   High   Low   Est. vol   Open Int.			99.3							n/a
Sep   95.84   95.82   -0.02   95.84   95.81   1117   10575	Mar 9			TOR	ES (LIP	FE) Ecu	lm points	of 1009	%	
Sep   95.84   95.82   -0.02   95.84   95.81   1117   10575	Mar 9		ECV I				-			Open int.
Dec         95.58         95.54         -0.03         95.56         95.54         792         9688           Mar         96.53         96.52         -0.02         95.54         96.51         307         5977           Jun         95.48         96.44         82         3396           * LIFTE hazers also bracked on APT         ■         EUROLITA OPTHONS (LIFTE) L1000m points of 100%           Strike         CALLS         PUTS           Proce         Sop         Doc         Mar         Sop         Doc         Mar           9325         0.09         0.50         0.83         0.05         0.06         0.09           9350         0.01         0.31         0.81         0.22         0.12         0.12           9375         0         0.15         0.43         0.46         0.21         0.19	Mar 9	HTMO			шпое	Hìgh	LDW	Est.	VO.	
Mear   95.53   95.52   -0.02   95.54   96.51   307   5977     Jun   95.48   95.45   -0.03   95.48   96.44   82   3396     LIFFE haurs also maked on APT     EUROLIRA OPTIONS (LIFFE) L1000m points of 100%     Strike   CALLS   PUTS     Pnce   Sop   Doc   Mar   Sop   Doc   Mar     S325   0.09   0.50   0.83   0.05   0.06   0.09     S325   0.01   0.31   0.81   0.22   0.12   0.12     9375   0   0.15   0.43   0.46   0.21   0.19	Mar 9	Pen Pen	Sett p	rice Ch		-				
LiffE hauns also tracked on APT     EUROLIFA OPTIONS (LIFFE) L1000m points of 100%	Max 9: IN THURSE NAC Sep 9:	pen 5.64	Sett p	rice Cr	0.02	95.64	95.81	11	17	10575
Strike	Mar 9: Mar 11: Mar 9: M	DNTH Dpen 5.64 5.58 6.53	Sett p 95,6 95,5 95,5	rice Cr	0.02 0.03 0.02	95.64 95.56 95.54	95.81 95.54 95.51	11 79 30	17 12 17	10575 9669 5977
Strike         CALLS         PUTS           Pnce         Sop         Doc         Mar         Sop         Doc         Mar           9325         0.09         0.50         0.23         0.05         0.06         0.09         0.00         0.00         0.02         0.12         0.12         0.12         0.12         0.12         0.12         0.12         0.12         0.19         0.05         0.43         0.46         0.21         0.19         0.19         0.00 <th>Mar 9: THERSE NA CO Sep 9: Dec 9: Mar 9: Jun 9:</th> <th>Open 5.64 5.58 6.53 5.48</th> <th>Sett p 95,6 95,5 95,5 95,4</th> <th>rice Cr</th> <th>0.02 0.03 0.02</th> <th>95.64 95.56 95.54</th> <th>95.81 95.54 95.51</th> <th>11 79 30</th> <th>17 12 17</th> <th>10575 9669 5977</th>	Mar 9: THERSE NA CO Sep 9: Dec 9: Mar 9: Jun 9:	Open 5.64 5.58 6.53 5.48	Sett p 95,6 95,5 95,5 95,4	rice Cr	0.02 0.03 0.02	95.64 95.56 95.54	95.81 95.54 95.51	11 79 30	17 12 17	10575 9669 5977
Proce         Sep         Dec         Mer         Sep         Dec         Mer           93255         0.09         0.50         0.83         0.05         0.06         0.09           9359         0.01         0.31         0.81         0.22         0.12         0.12           9375         0         0.15         0.43         0.46         0.21         0.19	Mar 99  THERESE NAM  O Sep 99 Dec 99 Mar 99 Jun 99 LUFFE haures o	Open 5.64 5.58 6.53 5.48	Sett p 95,6 95,5 95,5 95,4 ded on	rice Ct	0.02 0.03 0.02 0.03	95.64 95.56 95.54 95.48	95.81 95.54 95.51 96.44	11 79 30	17 12 17	10575 9669 5977
9325 0.09 0.50 0.83 0.05 0.06 0.09 9350 0.01 0.31 0.81 0.22 0.12 0.12 9375 0 0.15 0.43 0.46 0.21 0.19	Mar 9  THURSE NO  Sep 9  Dec 9  Mar 9  Jun 9  LIFFE hauses a  E EUROLINA	Open 5.64 5.58 6.53 5.48	Sett p 95,6 95,5 95,5 95,4 ded on IONS (	APT	0.02 0.03 0.02 0.03	95.64 95.56 95.54 95.48	95.81 95.54 95.51 96.44	11 79 30 8	17 12 17 2	10575 9669 5977
8350 0.01 0.31 0.81 0.22 0.12 0.12 8375 0 0.15 0.43 0.46 0.21 0.19	Mar 99 THREE MC  CO Sep 99 Dec 99 Mar 99 Jun 99 LIFFE hauns 6 EUROLINA Strike	DNTH Dpen 5.64 5.58 6.53 5.48 bbs trik	Sett p 95,6 95,5 95,5 95,4 ded on IONS (	APT LIFFE) L	0.02 0.03 0.02 0.03	95.64 95.56 95.54 95.48 points	95.81 95.54 95.51 96.44 of 100%	111 79 30 83	17 12 17 2	10575 9669 5977 3396
9375 0 0.15 0.43 0.46 0.21 0.19	Mar 9  THREE NA  CO Sep 99 Dec 96 Mar 99 Jun 99 LIFFE hauses 18 EUNDOLINA Strikes Price	DNTH Dpen 5.64 5.58 6.53 5.48 hbo trik A OPTI	Sett p 95,6: 95,5: 95,4: ded on IONS (	APT LIFFE) I	0.02 0.03 0.02 0.03 1000m	95.64 95.56 95.54 95.48 points	95.81 95.54 96.51 96.44 of 100%	11' 79 30 8: PUTS	17 12 17 2	10575 9668 5977 3396
	Mar 9 Mar THUSE IN CO. Sep 9: Doc 9: Doc 9: Mar 9: Jun 9: Jun 9: Jun 1 Here hauns a III EUROLIPA Proce 9325	DNTH Dpen 5.64 5.58 6.53 5.48 No PTI Sep 0.00	Sett p 95,6: 95,5: 95,4: ded on (ONS)	APT LIFFE) L CALLS Dec 0.50	0.02 0.03 0.02 0.03 1000m	95.64 95.56 95.54 95.48 points er	95.81 95.54 95.51 96.44 of 100% Sep 0.05	117 79 30 83 PUTS Dec 0.06	17 12 17 2	10575 9658 5977 3396 Mar 0.09
the said which could state and said Library real a filter age (1910) (1910) (1910)	Mar 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9	DNTH Dpen 5.64 5.58 6.53 5.48 NOPTI Sep 0.09 0.01	Sett p 95,6: 95,5: 95,4: ded on (ONS)	APT LIFFE) I CALLS Dec 0.50	0.02 0.03 0.02 0.03 1000m	95.64 95.56 95.54 95.48 points ar 33	95.81 95.54 95.51 95.44 of 100% Sep 0.05 0.22	PUTS Dec 0.06 0.12	17 12 17 2	10575 9658 5977 3396 Mar 0.09 0.12
	Mar 9 9 9 10 10 10 10 10 10 10 10 10 10 10 10 10	DNTH Dpen 5.64 5.58 6.53 5.48 NDPTT Sep 0.09 0.01 0	Sett p 95,6 95,5 95,5 95,4 ded on IONS (	APT LIFFE) I CALLS Dec 0.50 0.31 0.15	0.02 0.03 0.02 0.03 1.000m M	95.64 95.56 95.54 95.48 points ar 33	95.81 95.54 96.51 96.44 of 100% Sep 0.05 0.22 0.46	PUTS Dec 0.06 0.12	17 12 17 2 2	10575 9658 5977 3396 Mar 0.09 0.12 0.19

WORLD INTEREST RATES





CROS	SRAT	ES AN	D DE	RIVAT	IVES													
EXCHA	NGE (	CROSS	RAT	ES														
Aug	20	BFr	DKr	PHY	DM	爬	L	Ħ	NIC	Fa	Pta	SKr	SFI	£	CS		Y	Ecu
Belgiom	(BFr) .	100	18.44		4.842	1.310		5.451	20.16	490.7	408.9	21.05	8.961		3.633	2.608		2.480
Denmark	(DIC)	54.22	10		2.625	0.981	2556	2.956	10.93	266,1	221,7	11.42		0.888	1.970	1,414		1,334
France	(177)	81.32	11.31		2.969	1.110			12.36	300.6	250.7	12.91	2,441		2.228	1.599		1.500
Germany	(MCI)	20.65	3.809	3.368	1	0.374			4.164	101.3	84.45	4,348	0.822	0.338	0.750	0.539	63.60	0.508
reland	(EZ)	55,26	10.16		2.676	1	2605		11.14	271.2	225.9	11.63	2.200	0.905	2.008	1,441		1.356
bely	(LL)	2.122	0.391		0.103	0.038		0.116	0.428	10.41	8.675	0.447	0.084	0.035	0.077	0.055		0.052
Netherland:		18.34	3.363		0.888	0.332			3,698	90.01	75.00 202.6	3.862	0.790 1.975	0.300	0.666 1.802	0.478		1.220
Norway	. (INKI)	49.61	9.149		2.402	0.389			4.108	100		10,44				0.531	62.78	0.501
Portugel	(Ea)	20.38	3.759 4.511	3.324 3.980	0.987	0.443			4.930	120.0	63.33 100	4.291 5.149	0.811 0.874	0.334	0.740	0.638		0.602
Spain	(Pta) (SKA	24.46 47.50	8.760	7.747	2.300	0.860			9.575	238.1	194.2	10	1.891	0.778	1.726	1.239		1,188
Sweden Switzerland		25.12	4.633	4.097	1.216	0.455			5.064	123.3	102.7	5.269	1		0.913.	0.655		0.818
JK	(2)	81.07	11.26	8.960	2.957	1.105			12.31	299.7	249.7	12.85	2.431	1	2.216	1.593		1.502
Canada Canada	(CS)	27.53	5.077		1.333	0.498		1.501	5.549	135.1	112.5	5.795	1.098	0.451	1	0.718		0.677
JSA	(3)	38.35	7.073		1,857	0.694		2.091	7.731	188.2	156.8	B.074	1.527	0.628	1.393	1	118.1	0.943
lepen	(3)	32.47	5.989	5.296	1.572	0.588			6.546	159.3	132.8	9.837	1.293	0.532	1,180	0.847	100	0.79
Ecu.	(1)		7.498	6.631	1.969	0.738				199.5	168.2	8.560		0.666	1.477	1.060		1
ep ec .	Open - 0.5450 0.5458	0.5395 0.5425	-0.0054	10.545	0.5		Est. vol 25,098 818	Open int. 98,774 4,503	Sep	(	Open 0,8495 0,8605	Latest 0.8523 0.8636	+0.0029 +0.0031	-	3 0.8	ow   462 205	9,805 196	78,271 2,451
Var	0.5468	0.5468	-0.004			468	56	1,328	Mar	•	_	0.8750	+0.0030			730	27	531
SWASS I	FRANC F	UTURES	(IMIN) SF	7 125,000	per Si	er .			25	TERLIN	ם דעזע ם .	PES (IM	v) 262,50	per £				
Sep	0.6624	0.6570	-0.005	0.662	3 O.5	566 .	8.207	51,324	Sep	-	6034	1.5940	-0.0094	1.604	4 1.5	892	3.837	48,462
Dec	0.6660	0.9638	-0.005			636	181	2,501	Dec		.6020	1.5830	-0.0150	1.592		830	117	1,102
viar.	20	0.6720	-0,004	: -	0.6	720 .	7.	1,057	Mar		-	1.5800	-0.0116	-	1.5	780	6	208
UK IN	TERE	ST FAT	Te			ė	-		EM	S EU	ROPE	AN C	URRE	NCY I	UNIT	RAT	ES	
	W					_		_	Aug	20	Ecu or		est Ecu	Change on day		- from	% sprea	
.ONDO	M MO		7 days		Th	nee	Sh	· One	Finie	nd	5.654			0.00782	****	.80	2.18	-6
Mg 20		night	notice	month			months -		Italy		1906		24.88	-1.71		.96	2.03	-7
terbenk St	orino.	74 - 64	74 6	74 - 6	9 71-	71. 7	3 - 74	72 - 73	Irela	sd	0.79870		40018 +	0.001812	-7	.35	11.18	50
terbenk Se terfing CDe		4 - 04	13 - 01					程-7日	Ports		197.30		0.140	-0.143		.39	1.60	-6
ᄪᄪᇄᅜᄧ			- '	733 1	· / 34	. 32	- · / Di	125 - 125	Spain	1	163.82	28 16	6.848	+0.038	1	.85	1.15	-13
CORDINAL PROPERTY.		_	_	- GH - S	H 7-	R.As												
reasury Billion				62 6			A . 7.1		Dece	neric	7.345	55 7.	52301	-0.00256	2	42	0.55	-17
raesury Billion enk Billio ocal suther	•	7 . 63	7 - 64	82 - 6	3 83	83 7	1 74 1 75	72 - 73	Dece	nerk ertands		55 7.5 79 2.5	52901 · 22391 ·		2			

Local gu	hority daps.	7 - 6	1	7 - 64	72 . 7		異72 · 74 異72 - 74	
Discount	Market dep	.7 - 6	3	6 G				-
UK cheri	ng bank be	se lendir	ng mal	7 per	cent from	Aug 7, 19	907 -	
٠.				Up to 1			6-9 e months	9-12 months
			<u> </u>			1 1107411		
	Tax dep. (£			212	512	5	5	434
Cents of T	ex dec. unde	r £100,00	20 6 2	zpc. De	DOMES WITH	drawn for o	esh 14:pc. dg. Export Fir	
Ave. tendi	7 1200 OF CREC	OUT OF	AUG 1	o, e./atu	DC BUGD	to Sec 23	1997, Schem	e III 9 27nc
Parleson	rate for park	d Jul 1	1997	Jul 21	1997: 84	MOTHER IV A	V 7.035pc. Pl	nence House
			7					
Bene Fints	70c from Au	D 1, 1997						
Sans Figur	7pc from Au	g 1, 199	•					
Bann Ryay				FUTUR	ues (Liff	E 2500.0	 00 points of	. 100%
Sann Figur	E MONTH	STER	LDIG			-,,-	00 points of	
Bann Finn	DE MONTH	Sett p	LENG	Change	High	Low	Est. vol	Open int
E THREE	Open 92.75	Sett p	LING rice	Change +0.01	High 92.76	Low 92.74	Est. vol 9765	Open int 108457
Sep Dec	Open 92.75 92.60	Sett p. 92.7: 92.6:	LING rice 5	+0.01 +0.01	High 92.76 92.63	Low 92.74 92.80	Est. voi 9765 19126	Open int 108457 122790
Sep Dec Mar	Open 92.75 92.90 92.56	Sett p. 92.7: 92.6: 92.5:	LING nce 5 2	+0.01 +0.01 +0.01 +0.02	High 92.76 92.63 92.60	92.74 92.80 92.65	Est. voi 9765 19126 13402	Open int 108457 122790 - 99518
Sep Dec Mar	Open 92.75 92.60 92.56 92.56	Sett p. 92.7: 92.6: 92.6: 92.6: 92.6:	rice 5 2 6 8	+0.01 +0.01 +0.01 +0.02 +0.02	High 92.76 92.63 92.60 92.60	Low 92.74 92.80 92.55	Est. vol 9785 19126 13402 10519	Open int 108457 122790 - 99518 - 59744
Sep Dec Mar Jun Sep	Open 92.75 92.60 92.56 92.56 92.81	Sett p. 92.7: 92.6: 92.6: 92.6: 92.6:	LIBIG nice 5 2 8 8	+0.01 +0.01 +0.01 +0.02 +0.02 +0.03	High 92.76 92.63 92.60 92.60 92.65	Low 92.74 92.80 92.95 92.56 92.50	Est. vol 9785 19126 13402 10519	Open int 108457 122790 - 99518
Sep Dec Mar Jun Sep	Open 92.75 92.60 92.56 92.56	Sett p. 92.7: 92.6: 92.6: 92.6: 92.6:	LIBIG nice 5 2 8 8	+0.01 +0.01 +0.01 +0.02 +0.02 +0.03	High 92.76 92.63 92.60 92.60 92.65	Low 92.74 92.80 92.95 92.56 92.50	Est. vol 9785 19126 13402 10519	Open int 108457 122790 - 99518 - 59744
Sep Dec Mar Jun Sep Also trade	Open 92.75 92.75 92.55 92.56 92.81 of on APT. A	Sett p. 92.7: 92.6	rice 5 2 8 8 4	+0.01 +0.01 +0.01 +0.02 +0.02 +0.03 £ figs. an	High 92.76 92.63 92.60 92.65 6 for previ	92.74 92.80 92.95 92.56 92.50 92.50	Est. vol 9785 19126 13402 10519 4297	Open int 108457 122790 - 99518 - 59744
Sep Dec Mar Jun Sep Also trade	Open 92.75 92.60 92.56 92.56 92.81	Sett p. 92.7: 92.6	rice 5 2 8 8 4	+0.01 +0.01 +0.01 +0.02 +0.02 +0.03 £ figs. an	High 92.76 92.63 92.60 92.65 6 for previ	92.74 92.80 92.95 92.56 92.50 92.50	Est. vol 9785 19126 13402 10519 4297	Open int 108457 122790 - 99518 - 59744
Sep Chire Sep Chec Mar Juni Sep Also trade	Open 92.75 92.75 92.55 92.56 92.81 of on APT. A	Sett pi 92.7: 92.6: 92.6: 92.6: 92.6: 92.6: 92.6: 92.6:	rice 5 2 8 8 4	Change +0.01 +0.01 +0.02 +0.02 +0.03 r figs. on	High 92.76 92.63 92.60 92.65 6 for previ	92.74 92.80 92.95 92.56 92.50 92.50	Est. vol 9785 19126 13402 10519 4297	Open int 108457 122790 - 99518 - 59744
Sep Dec Mar Juni Sep Also trade	Open 92.75 82.60 92.55 92.56 92.81 of an APT. A	Sett pi 92.7: 92.6: 92.6: 92.6: 92.6: 92.6: 92.6: 92.6:	LIBIG nice 5 2 8 8 4 Interes	Change +0.01 +0.01 +0.02 +0.02 +0.03 £ fgs. en	High 92.76 92.63 92.60 92.65 6 for previ	92.74 92.80 92.95 92.56 92.50 92.50	Est. voi 9785 19126 13402 10519 4297	Open int 108457 122790 - 99518 - 59744
Sep Dec Mar Jun Sep Also trade	Open 92.75 92.60 92.55 92.56 92.81 of an APT. A	Sett pi 92.7: 92.6: 92.6: 92.6: 92.6: 92.6: 92.6: 92.6: 92.6:	rice 5 2 8 8 4 Interes	Change +0.01 +0.01 +0.02 +0.02 +0.03 # figs. an	High 92.76 92.63 92.60 92.65 tor provi	Low 92.74 92.80 92.95 92.56 92.50 ous day.	Est. vol 9765 19126 13402 10519 4297 of 100%	Open int 108457 122790 98518 89744 55810
Sep Dec Mar Juni Sep Also trace	Open 92.75 82.60 92.55 92.56 92.81 of an APT. A	Sett pi 92.7: 92.6: 92.6: 92.6: 92.6: 92.6: 92.6: 92.6: 92.6:	rice 5 2 8 8 4 Interes TROS	Change +0.01 +0.01 +0.02 +0.02 +0.03 # figs. an	High 92.76 92.63 92.60 92.65 for provi	Low 92.74 92.80 92.95 92.56 92.50 ous day.	Est. vol 9785 19126 13402 10519 4297 of 100% — PUTS — Dec	Open int 108457 122790 99518 69744 55810

₩e		CALLS		PUIS		_		OG.	NOV.	200	QC	MÓA
ce :	Sep _	Dec Mar	· Se	p Dec ⋅M	lar 0.52			1.54		0.30	0.49	0.71
ns . 0	.04	0.06 . 0.09 .	0.0							1.45	0.68	0.90
_	0	0.01 0.04	0.2							0.67	0.91	1.13
25	0	0 0.01	0.5			tous day's vol., Co	alls n/a Put	n/a . Prev. c	My's open to	, Calls n/a	Puts n/a	
vol. total, Calls	2327 Put	s 5251. Previous day's d	pen int	, Cath 197478 Put 208	950						- 2	
						HEREE MONT	H EUROD	OLLAR (IA	<b>94) \$1m</b> po	ints of 10	0%	
						Open			High	Low	Est. vol	Open in
-					Sep		84.27		94.29	94.27	43,307	489,084
	B/	SE LENDING	RA	TES .	. Dec				94.15	94.11	80,B54	483,232
			_		—— Mar	94.10	94,08	0.03	94.10	94.05	87,315	342,993
	%		*	One of Line in the last	76							
am & Company	7.00	Duncan Literia	7.00	Scotlish Wildows Bank	7.00	A TREASURY	BILL PU	CALES (B	(M) Sim pe	100%		
ed leish Bank (Gi	3) 7.00	Evenir Bank Limited	8.00	<b>#Singer &amp; Friedlender</b>		94,93	94.93	-0.01	94.93	04.00		
enry Anabacher	7.00	Financial & Gen Bank	-	<b>G</b> Smith & Willman Secs			94.83		94.86	94.93	162	7,832
nk of Baroda	7.00	eRobert Fleming & Co		Sun Banking Corp Ltd	7.00. 14m		94.79		84,00	94.83	69	2,074
nco Bibso Vizoa	7.00	<ul> <li>Guinness Mahon</li> </ul>	7.00		/.00	Com Interest fice.			_	84.18	69	1,026
nk of Cyonus	7.00	Habib Bank AG Zorich	7.00	United Bank of Kuwait.	7.00	FUROMARK O				4000		
nk of testand	7.00	<b>el tembros Bank</b>	7.00						un bours o	משוו		
tio india	- 7.00	Haritable & Gen Inv Bi	7.00ء		6.50 Strif			ALLS			PUTS -	<u></u>
	_	C. Houre & Co	7.00	Whiteway Ladew	7.00 · Pric	в Ѕер	Oct	Nov	Dec Se	D Oc	. Nov	Dec
nk of Scotland	. 7.00	Honglong & Shangha	7.00	Yorkshire Bank .	7.00 962		0.23	0.24 0	1.25 0	0.04	0.05	0.06
olays Benk	7.00	Invested Bank (UK) Li	17.00		965		0.06		LOS 0.0	0.12	0.13	0.15
Skof Mid East	7.00	Julian Hodge Bank	7.00	<ul> <li>Members of London</li> </ul>			0.01		0.17	0.32	0.33	0.32
Com Shipley & Co I	36 7.00°	@Leopold Joseph & Sons	7.00	investment Banking	970		. 0		.0 D.SI		0.56	0.58
oenk NA .	7.00	Lloyda Bank	7.00	Association	972		0	0	0 . 08	0,81	18.0	0.81
Gerdale Bank .	. 7.00	Midland Bank	7.00	* in administration	E	vol. total, Calls 2	155 Puts 1	894. Previous	day's open	int, Calle	367692 Put	200077
Co-operative B		NetWestminster	7.00			EURO SWISS	RANC O	PTIONS (L	FFE) SFr 1r	n points	¥ 100%	
utta & Cor	7.00		7.00		Seri	œ ·		ALLS -			PUTS -	
Drus Popular Bay		Royal Bk of Scotland	7.00		Pric				Mar	Sep	Dec	Mar
	• •				965	0 0.	07 (	1.08 -(		111	0.34	0.49
					987	5 0.	01 (			1.30	0.54	0.68
					Est.	vol. total, Colle C	Puts O. Pr	evious day's				
P		:		•								

Strike

1.610 1.610 1.620

Strike Price

Oct

50					
34 06	m	cons for elec	arusy des	mirred la	¥+
08	il ~	PERSONAL OF B	artisty class to phreated and princip parts and t	enderge A booguit	ns
58 52	Personal Tanàng an	Price by	free Patrick On JUS	r Imang	
51 20		Post	Prof		15 mm 21
20	1: hour parted entiring 9080 0100 0130 0200	Pod		Pod setro pros pros	Capper bucat miscarch parents
01 02	2000	price Stands 15.81	210 ptop 210 ptop 10.12	CAME	0.00
88	S100	15,41		10.12	0.00
18	0130 0200	15.41	10.10	10.10	0.00
77	0290	15.41 15.41 15.41	10.10	10.10	0.001
43 98	0300 0330 0400	15,41	10.10	10.10	000
98	0430 0500	15.41 15.41 16.41	10.10	10.10	0.00 0.00 0.00
—	0550	15.32	10.10 10.10 10.10 10.10 10.10 10.10 10.10 10.10	10.10 10.10 10.10 10.10 10.10	0001
	0800	15.32	10.00 10.00 12.70	10.00 10.00 12.70	0.00
	0700		12.70	12.70	0.00
Int. 78	0730 0800 0830	16.73 16.73 16.79	15.89	16.33	1.57
10	0830	18.79 17.08	18.14	16.34	157
	0800 1000	38.50	16.63	17.00 17.04 17.07	1.57 1.57 1.57 1.57 1.57
	1030 1100 1130	36.76	16.87	17.10	1.57
52	1130	36.61	17.65	17.54	1.57
2	1200 1230 1300	17.05 33.50 36.65 36.76 36.75 36.81 36.86 36.77 36.35	12.70 18.14 18.84 18.80 18.85 18.85 17.65 17.70 17.48 17.48 17.48 17.48	17.94 18.01 26.30 26.21	157 157 157 157 157 157 157 157 157 157
·	1300	36.55	25.95	26.21	157
- 1	1400	34.21	17.48	17.70	1.57
hr.	1330 1400 1430 1500 1530 1630	24.95 34.21 17.12 17.04 17.00 16.88	15.40 18.40	17.76 17.70 17.88 16.61 16.63 17.71 26.09 26.06	1.57
a l	1530	17,00	16.40	16.61	1.57
5	1630	21.87 22.44 22.36	15.42 17.49 25.86 25.80	17.71	1.57 1.57 1.57 1.57 1.57 1.57
5	17:30			76.05	1.57
ا ۵	1800 1830 1900	18.64	18.52 16.56 16.56	17.03 16.86	1.57
3	1630	18.52	18.66	16.85	1.57
7	1830 2000 2030	18.64 16.52 18.62 10.51 10.60	18.14	16.85 16.85 16.33 12.90	0.00
5	2100	16.62 35.68	13.00	13.00 16.33 19.88	1.57 0.00 0.00 1.57 1.57
9	2130 2200	25 (38	18.66 16.14 12.90 13.00 16.14 19.58 19.68 19.88	19.65	1.57
5	2230 2300 2330	17.94 17.94	19.88	19.88	1.57 1.57 1.57 1.57
	Z330 2400	15.95 15.83	19.88 16.14 15.49	16.33 15.89	1.57 1.57
- H	Prom a	n de	4 for even	naf-hou	
-	Page 17-40	- Pour par	nd to mo	are in con- decimal places against the	20 per con. 10
- man	Convert to	Man to part of he reserve	0.00 kpcs 0.00 kpcs 0.00 kpcs	DE M. C	DISAN'
	MAD D	ارد مسوور ا احدم آن میش	SECONOMIA PROPER IN THE	to in the Po	ary ma
	74 Mgs	Appendix	England a	nd Webs. 1	Na Papi
	E 4500	permitted The	to respect	0 200 p	Page 1
_	10 m	D OF CO.	the produc	of stack a	Paper
1	CONSTR	-	o post pris	T I'V ST 0	PER .
1	or come	oter, so re	positively	of the place	NO LEGIS
	Brail part	han han	day, Pital	hand ga	-
ı I	Bythan I	NOT (13P)	charges t	y I'm Name	onD ten
ł	of the state	of peed proper prices for in all spetials. The spet (1971 is spet (1960) is strong to come.	interestation	n e hip	mase of
-1	Stepan C		NGC HE	MOC and a	
ı	apath o	meter R	of George	100 to 100 p	toe peed
I	3 Post	-	pendent up pa. Farther	ricernics	0 100
	property property behalf of	STREAM NOTIFIED TO THE PROPERTY OF SHIP	ated of the	Pad and or	TSP on
	Services	LITHIUS. AT	HOW WORK	ne io mani	M BUCO

Oct 2.23

3.07

1.87 1.88 2.51

2.71

The Shareholders of Banco Exterior de Los Andes y España ("Extebandes") announce the sale of controlling interest in

August 21, 1997

A multinational bank headquartered In Caracas, Venezuela with ten branches in Peru, Colombia. Venezuela, Grand Cayman and Spain, an agency in Miami (U.S.A.), and a subsidiary with 11 branches in Colombia. As of June 30, 1997, Extebandes had total assets of U.S.\$ 1,022.3 million and shareholders' equity of U.S.\$ 124.7 million.

The shareholders of Extebandes are the Fondo de Inversiones of Venezuela, Banco Exterior de España, Banco de la Nación of Peru, Bancafe of Colombia, the Central Bank of Ecuador and the Republic of Bolivia. The shares offered for sale are the property of these shareholders and will be sold only in a transaction meeting their requirements. The shareholders of Extebandes have set a minimum value for the shares to be sold of U.S.\$ 170.0 million for 100% of the shares.

interested parties should submit an indication of interest demonstrating adequate financial resources to consummate a transaction and their experience in managing an international financial institution by no later than noon (New York City time), Friday, August 29, 1997, to the undersigned.

Maurice Marchesini Salomon Brothers Inc Seven World Trade Center lew York, New York 10048 United States of America Tet: 1 212 783-7209

Ignacio Alvarez Villar Salomon Brothers International Ltd Victoria Plaza 111 Buckingham Palaca Road London SW1W 0SB United Kingdom Tel: 44 171 721-3873 Fax: 44 171 721-2846

The undersigned have been retained by the shareholders to act as advisors in the sale of the bank.

Salomon Brothers Inc

# SB SmithKline Beecham

EXTRAORDINARY GENERAL MEETING

At an Extraordinary General Meeting of the Company, held on 20 August 1997, the resolution to effect the proposed stock split was passed with an overwhelming majority.



**Les Echos** 

The FT can help you reach additional businass readers in France. Our link with the French business newspaper, Les Echos, gives you a unique recruliment advartising opportunity to capitalise on the FT's European readership and to larget the French business world. For information on rates and further details

please telephone: Toby Finden-Crofts on +44 171 873 4027

# India leads jump in gold demand

By Kenneth Gooding, Mining Correspondent

A surge in gold buying in India, already the world's biggest market for the precious metal, helped demand in markets monitored by the World Gold Council reach record levels in the first half

The WGC, a promotional organisation funded by gold producers, covers countries accounting for about 80 per cent of global gold demand. In those markets, demand reached a record 723 tonnes in the second quarter, up 11 per ceot on the same mooths

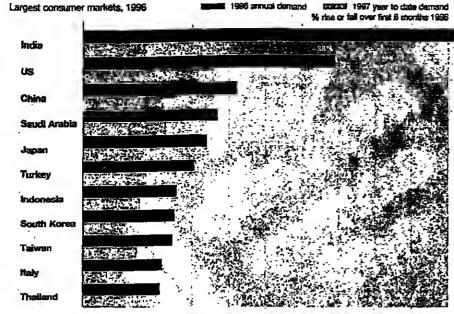
As this followed the highest quarterly demand ever recorded in the first quarter, the six-month total was 14 per cent ahead of the 1996 level at a record 1.493

George Milliog-Stanley. manager of gold market analysis for the WGC, said demand had remained strong at the beginning of the third quarter and this provides optimism about prospects for the year as a

Antitrust considerations prevent the WGC from covering production statistics. The council's latest Gold

sumption in the second quar-

Key market demand for gold



represented a 36 per ceot increase from the period last year, and an 11 per cent rise from the previous record of 163.6 tonnes, set in the first quarter of this year.

Demand in India was boosted by a lower US dollar price for gold - which fell to Demand Treods publication a 12-year low in June - and shows that India's gold con- a fall in the premium charged for gold in India,

quarter at 181.9 tonnes. That cent above the international price to 15% per cent by the

end of June. This narrowing of the domestic price premium followed the gradual liberalisation of gold imports hy the Indian government, said Mr Milling-Stanley.

Confidence in the Indian market was also being India and the US. boosted by a 10th consecutive favourable monsoon sea-

ted to lead to another good harvest. "Increasing incomes are more important than falling prices in many developing countries," explained

Mr Milling-Stanley. However, failing prices caused demand to falter in China, the third most important gold market behind

"There was evidence of a 'wait-and-see' approach by Italy and France hut up in

price might bring another downward adjustment in the officially regulated prices set hy China's central bank." said Mr Milling-Stanley.

Second-quarter demand in China was 7 per cent down at 54.3 tonnes, and the first half total was down 6 per cent at 110.1 tonnes.

Gold demand in the US reached a second-quarter record of 74.2 tonnes. although it was only 1 per cent above the same months of last year.

There were signs that the rapid pace of growth seen in recent years might be slow-ing," said Mr Milling-Stanley. Six-month demand in the US was up 5 per cent to

Gold in jewellery sold in the US, which had shown 22 consecutive quarters of growth, was marginally lower in the second quarter. This was offset by a pick-up in the hullion coin market as retailers stocked up at the lower gold prices.

In Japan, gold demand fell 19 per cent in the second quarter to 38.2 tonnes, and by 14% per cent to 83.8 tonnes in the first half.

Demand in Europe was about the same at 58.4 tonnes in the second quarter and at 112 tonnes in the first half. Demand was down in

### Indonesian Oil little changed by stocks coffee farmers report

MARKETS REPORT By Robert Corzine and

Kenneth Gooding

Crude oil prices were generally flat yesterday as new data on petroleum inventory levels in US failed to make much of an impact. Brent Blend for October delivery was quoted at \$19.06 a barrel in late trading on London's Interna-

tional Petroleum Exchange, one cent off Tuesday's close. US government statistics showed that gasoline stocks a driving force behind the market over the past few weeks - fell by 2.9m barrels to 186.2m barrels.

That bullish development was offset, however, by figures which showed crude oil stocks up by 600,000 barrels and a rise in distillate stocks of 2.5m barrels. Some traders said the subdned reaction to the data

showed the impact of strong seasonal demand for gasoline in the US was fading. The government data also sbowed that refinery utilisation in the US continues to grow. It reached 98.8 per cent last week, np from 97.1

per cent a week earlier. With such high ntilisation rates, refinery breakdowns or accidents can have an exaggerated, although generally fleeting effect, on oil prices, say analysts.

On the London Metal Exchange, copper again moved into backwardation (where there is a premium for immediate delivery) after less than a week in contango (where prices for future delivery are higher than the spot price). The backwardation was a modest \$4 a tonne against a \$6 contango en Tuesday.

In the zinc market, the backwardation increased to \$175 a tonne and the price for three-month delivery rose \$27 a torme to \$1.504.

hit by drought eral other warnings have been voiced concerning vari-

By Gary Mead

Indonesia's coffee plantations are suffering from a severe lack of rainfall and some traders are alarmed that the 1997-98 crop could be as much as 40 per cent lower than that of

The International Coffee Organisation currently estimates that Indonesia which has a crop year running from April to March will produce some 7.8m 60kg bags of coffee this season. against an estimated crop of 6.2m to 6.8m bags for 1996-97.

"We know there is a severe drought there and this will undoubtedly affect this year's crop. However, unlike frost, lack of rain is a short-term problem and coffee trees can quickly recover in the next year," said Pablo Dubois, the ICO head of

operations. Indonesia is the world's largest producer of robusta beans, which processors largely use for hlends of instant coffee

The drought in the country is increasingly being een as being caused by the developing El Niño weather system, in which a warming of the Pacific Ocean interacts with the atmosphere to produce shnormally dry conditions in the southern hemisphere.

Indonesian coffee farmers say that there is an urgent need for some rainfall hy early September, so the coffee cherries will be able to

Earlier this year meteorologists began to argue that this latest El Niño would be the most serious since 1982-83 - when damage to crops and livelihoods was estimated at \$13.6bm, largely in the southern hemisphere - and perhaps the worst this

ous commodities heing hit by suspected weather conditions related to El Niño. including:

· Australia's Wool Production Forecasting Committee may today downgrade its 1997-98 forecasts for wool production from droughtaffected south and eastern Australia, where the abnormally low rainfall is now expected to linger through the rest of the year:

• in the Philippines, specialists said this week the counreduced in the second half of

In China, drought in the northern part of the country continues to affect 20m hectares of arable land. According to the Xinhua news agency at the end of July. the northern province of Hebei is experiencing its most severe drought in 40 years, and some 200,000 hectares of the province's farmland will produce nuthing this year,

 Colombian coffee-growers fear that their 1997-98 crop might he damaged. Attention is focused on the Valle de Cauca province in the south-west part of the country, where there has been no rainfall for the past month; some 10 per cent of the national coffee harvest comes from the province.

However, El Niño is said to be creating opportunities as well as havoc,

In Zimhabwe, National Food, the country's largest milling company, has seen its share price rise since the end of June from the equivalent of 41 US cents to 69 cents this week, entirely dne to fears over El Niño, according to Christopher Hartland-Peel, an African equities specialist with Standard

LLECTO

CHE & MERCHANTS

# Australia shifts to higher ore grades

By Elizabeth Robinson in Sydney

Australian gold producers are responding to lower gold prices by sbifting away from high-cost operations, according to Surbiton Associates, the Melbourne-based mining consultancy.

Sandra Close, who heads the consultancy, sald: "If the price goes down, you have got to look at costs." The gold price fell from US\$389.75 an ounce last August to US\$334.6 oo

The quarter to June showed a turnround in costs, Ms Close said. cent by Resolute and 15 per cent

"The average weighted cash cost [of each by Geographe Resources and the September quarter, but the indiproductioo in Australia] has heen going up slowly, but in June for the first time it has turned around." It fell to A\$355 an ounce, down A\$21 compared with the March quarter,

Miners are cutting costs by moving to higher ore grades, according to the consultancy. It said there was a substantial rise in weighted average ore grades in the June quarter to just over two grammes a tonne, following several quarters when grades

rose only slightly. The Chalice mine, owned 70 per

Precious Metals continued

GOLD COMEX (100 Tray az.; S/tray az.)

est cash cost producer in the June quarter at A\$183 an ounce, down said Ms Close. from A\$255 in the March quarter.

"This is the lowest I've seen in many quarters," said Ms Close, and was achieved because of the treatment of much higher grade ore. The disadvantage of mining higher grade ore is that ore reserves are reduced and more lower grade is left.

in the ground. Some mines are more flexible than others, as some ore bodies have higher concentrations. "I expect the effects of lower gold prices will be more readily seen in

General Gold resources, was the low- cations seem pretty clear - more

Sons of Gwalia, the Australian producer, said earlier this week it would close two gold operations and phase out another mine over the next six months. The June quarter also saw Austra-

lian production of gold hit a record 79.4 tonnes, lifting production for the year hy 25 tonnes, or 9 per cent. The top producer was Super Pit. owned by Normandy and Homestake Gold, which produced 704,000

### COMMODITIES PRICES

BASE METALS LONDON METAL EXCHANGE (Prices from Amalgemeted Metal Trading) ALUMINIUM, 99.7 PURITY (S per tonne)

Open Int.	254.819	
Total daily himover	147,766	
IR ALUMINIUM AL	LOY IS per to	rme)
Close	1435-45	1465-70
Previous	1445-55	1475-80
High/low		1480/1460
AM Official	1430-40	1460-65
Kerb close		1465-70
Open int.	5,153	
Total daily turnover	1,437	
E LEAD (S per tore		
Close	592-3	606.5-7.0
Previous	589-90	602-03
High/low	203-30	010/807
AM Official	596-96.5	609-09.5
Kerb close	230-39.3	607-B
Open mL	34,284	007-0
Total daily turnover	9.608	
■ NICKEL (\$ per to		
		anne 20
Close	6666-7S	6765-7S
Previous High/low	6590-600	6690-700 6810/6715
AM Official	6636-37	6745-50
Kerb close	0030-37	6800-10
Open int.	54,433	0000-10
Total daily turnover	12.171	
TIN (5 per torine)		
		5000 31
Close	5340-45 5335-40	5390-95
Previous	2032-40	5385-90
High/low AM Official	5340-45	5400/537S 5390-96
	2040-40	5380-85
Kerb close Open int.	15.629	370n-02
Total daily turnover	3.926	
ZING, special hi		ner tonner
Close	1674-7	1500-02
Previous	1625-30	1472-74
High/low	1677/1670	1505/1480
AM Official	1675-77	1497-98

1504-5 Total daily turnover E COPPER, grade A (\$ per tonne 2177-8 2180-82 2187 2187-88 AM Official 2177-8 Total daily turnover 64,583 III LME AM Official E/S rate: 1.5943 Sout 1,5925 3 miles. 1,5866 6 miles 1,5792 9 miles: 1,5736

98.10 +0.50 99.00 97.50 622 1,319 98.15 +0.30 99.60 97.70 4,881 19,422 98.15 +0.20 99.70 98.30 28 1,482 98.15 +0.10 99.50 98.00 1,854 11,018 98.15 -0.10 99.30 98.50 59 723 8.217 45,321 PRECIOUS METALS Prices supplied by N M Rothschild)

E LONDON BULLION MARKET

5 price & equity SFr equity 322,00-322,50 322,60-322,90 322.00 201.729 491.243 322.05 202.331 490.804 Day's High 121 45-321,75 Previous close 322 80-323.30 Loco Ldn Meen Gold Lending Rates (Vs USS)

2 morths ......3.16 451.00 286.70 461.20 6 months

Gold Goins

£ aquiv. 200-202

E UNLEADED GASOLINE MMAEX (42,000 LIS grats.; c/US grats.) GRAINS AND OIL SEEDS ■ WHEAT LIFFE (100 tonnes; £ per tonne)

321.3 -1.7 322.5 322.0 12 348 321.9 -1.6 - 1 2 322.9 -16 324.4 322.1 343 16,062 3247 -1.8 326.5 323.8 16.535 114.94 326.4 -1.8 327.5 325.6 94 14.342 326.1 -1.9 329.3 329.1 284 5.371 94 14.342 Mary 284 5.371 Jul 18,161 201,656 Total ■ PLATINUM NYMEX (50 Troy az; \$/roy az) ■ WHEAT CBT (5,000bu man; cents/60b bushel) 410.4 +2.4 411.5 402.0 1,758 10,827 Sep 363.25 +2.5 365.00 360.75 3,311 23,825 405.4 +3.4 405.0 397.5 50 2,596 Dec 377.50 +1,75 381.00 378.00 7,118 58,200 399 9 +14 40Z0 3950 395.9 +34 395.0 395.0 +34 4020 3950 17 419 1,825 13,843 PALLADIUM NYMEX (100 Troy oz.; \$/troy oz.) 12,754 105,536 203.15 +585 204 00 188.50 576 2.373 200.65 +8.15 202.00 185.50 177 2,008 MAIZE CBT (5,000 bu min; conts/56tb bushel) 252.25 -1.25 264.50 261.75 9.792 37.564 268.00 -1.25 269.00 265.50 28,442164.123 274.25 -1.5 277.00 274.00 3,978 38,978 279.25 -1.5 280 75 278.75 1,212 10,389 SILVER COMEX (5,000 Troy oz.; Cents/troy oc.) 282.50 -1.25 284.25 282.25 2,281 17,635 266.50 - 258.50 265.50 35 1,578 -2.1 - - 37 24 -2.2 452.0 442.5 8,088 43,264 -2.1 458.0 449.5 1,394 24,296 46.962 275.335 BAFELEY LIFFE (100 tormes; £ per torme)

70.50 -0.75 - - - 138 01.50 -0.75 81.75 01.75 5 995 83.50 -0.75 84.00 83.75 12 429 85.50 -0.75 - - - 278 9,660 85,532 CRUDE OIL NYMEX (1,000 barrels. \$/barrel) SOYABEANS (27 (5,000bu mile; cents/500 bushed) 730.50 -48.75 761.00 730.00 1,777 730.50 -49.75 761.00 730.00 1,777 521 645.50 -9.25 652.00 664.00 48.74 13.702 610 00 -9.5 621.00 669.00 26.959 82.578 613.75 -9.75 623.50 613.50 1.878 17.239 623.25 -9.25 630.50 620.00 672 6,827 630.75 -9 637.00 630.00 408 3,543 38,331 133,745 20 27 -0 06 20.46 20.10 44.587 109.2k 20.42 -0.02 20.45 19.70 917 14.713 SOYABEAN OIL CET (80.000/bs: cents/fb)

CRUDE OIL IPE (\$/barrel) 18.05 -0.02 19.22 18.97 12.590 84,822 19.12 -0.04 19.29 19.08 3,653 19.979 19.21 -0.04 19.35 19.18 1,647 19.978 19.24 -0.03 19.36 19.19 523 15.775 19.20 -0.02 19.29 19.19 235 9.919 SOYABEAN MEAL CBT (100 tons; \$/ton) 260.5 -9.0 2680 258.0 5.519 1.014 232.2 -3.2 235.5 231.8 9,937 25,825 2090 -4.4 273.0 2090 3,194 75,962 201.1 -3.5 206.5 300.8 8,538 42,902 Aug Sep Oct Ouc Jan Her ■ POTATOES LIFFE (20 tonnes; £ per torne) 620 - - - 0 58.65 -0.10 58.80 58.55 1,589 8,791

GAS Off PE (\$/torne) 171.25 -0.50 172.25 171.25 0,353 23,481 173.25 -0.50 174.25 171.25 3,870 44,952 175.00 -0.50 174.25 173.25 3,870 44,952 175.00 -0.50 175.75 174.75 455 7,756 176.25 -0.75 177.75 177.00 125 8,129 176.50 -0.50 176.50 176.50 75 8,489 PULP AND PAPER MATURAL GAS PE (1,000 florus; perce per florus)

8.940 -0.010 8.940 8.940 5 795 10.700 -0.050 10.710 10.700 100 1,220 MATURAL GAS KINEX (10,000 minibu.; S/minibu.) 2.445 -0.063 2.577 2.430 30.474 40.326 2.485 -0.047 2.579 2.450 15,211 44,749 2.610 -0.052 2.705 2.590 3,477 17,540 2.735 -0.057 2.830 2.720 7.224 18,919 2740 -0 057 2.840 2.730 3.934 18,209

2555 -0.045 2630 2550 1.859 13,825

69.10 +1.52 69.30 67.40 19.308 34,509 61,70 +0.84 61.80 90 90 19.202 28,860 58.95 +0.14 59.20 58.50 1,876 11,162 57.90 -0.15 52.30 57.60 580 11,392 57.80 -0.22 58.30 57.80 735 10,367

85.45 -0.56 85.75 85.40 42 208 88.10 -0.90 88.75 88.10 193 4,182 90.10 -0.90 90.75 90.10 154 2,860 92.10 -0.90 92.75 92.10 100 1,854 94.10 -0.90 94.75 94.50 60 999 96.10 -0.90 96.75 96.50 21 38 572 8,874 389.00 +2.25 391.00 387.00 1,358 16.311 391.50 +2.5 393.50 389.50 186 1.671 388.50 +1 390.00 387.00 527 7.254 404.00 +1.5 408.00 404.00 254 254

85.50 -0.75 84.00 -0.75 85.50 -0.75 - - - 278 87.00 -0.75 87.50 87.25 10 19 27 1,842

22.10 -0.05 22.19 22.03 2770 209 22.12 -0.1 22.30 22.07 5,740 15,051 23.30 -0.1 22.47 22.55 23.41 14,155 22.62 -0.12 22.68 22.58 5,825 43,954 23.69 -0.11 23.00 22.63 456 7,710 23.09 -0.11 23.30 22.00 532 9,115 16,105 94,657 408 6,675 29,117 188,141

FREIGHT (BIFFEX) UFFE (\$10/Index point) 1505 +70 1510 1490

PULPEX OMLX (\$6; 24 air dry tons) 540.25 +0.25 541.00 540.25 560.25 +1.25 582.50 560.25

FUTURES DATA All futures data supplied by CMS.

Nuts and seeds
Prices from Kerkko: USS a torne, Iranian
pictachios 28/30 raw naturally opened:
RPPC prices at 4,350 FCA. Walnuts US RPPC prices at 4,350 FCA Wahruts US jumbo inshelt 2,100 CPT Europe. Turidah hazahratis standard No 1: 13/15 + 11/13 spot at 4,900. New crop indication 4,800 due to support by Fisikobirik. Turidah aprieots No. 1 crop 1997 at 2,900 FOB, iranian aprieot halves 1,600 CFR for top quality. Indian cashawas: crop 1997 W320 at 5,200, W240 at 5,700. US almondes crop '97, St.5% at 3,800 for Sept/Oct. ship. Coconut: 1,010 from CFR Philippina. Russian Snow Whits pumplicased crop os long type at 1,980 CFR MIEP.

E COCOA LIFFE (10 tonnes; Efforme

1045 +20 1045 1020 1,753 18,557 1074 +20 1075 1046 2,470 43,459 1093 +15 1099 1075 12,27 50,629 1106 +14 1107 1095 309 22,182 1118 +11 1118 1107 108 7,803 COCCA CSCE (10 tonnes; S/tonnes) +13 1602 1583 1,078 26,337 +12 1919 1602 246 12,358 +12 1533 1632 13 2,464

■ COCOA (ICCO) (SDR's/tonne) COFFEE LIFFE (5 tonnes; \$/tonne) -1 1560 1510 1,812 13,450 +3 1585 1534 3,134 16,279 1531 +1 1567 1520 925 6,752 1510 - 1546 1502 239 1,850 July Jul Total 5,940 38,782 COFFEE 'C' CSCE (37,500lbs; cents/lbs) 170.70 -15.40 189.50 170.00 1.858 3.886 155.95 -11.20 166.00 135.60 3.057 9,168 141.00 -9.00 151.50 144.00 277 3.813

Sep Ouc Mar May Jul 1.55.50 -9.00 145.50 138.50 22 1,157 130.50 -9.50 142.00 134.00 18 805 125.00 -9.50 - 0 291 COFFEE (ICO) (US cents/pound) WHITE SUGAR LIFFE (50 tornes: \$/torne) -2.0 326.7 324.0 1,011 15,074 -1.7 323.8 322.3 211 6,858 3249 -2.2 327.0 324.3 1,05.8 8,357 3229 -2.4 324.0 323.0 349 2,072 3209 -2.4 - - 934 310.8 -1.5 318.0 318.5 180 2,289

SUGAR '11' CSCE (112,000lbs: cents/lbs) 11.89 -0.15 11.84 11.8414,098 101.5k 11.94 -0.11 12.02 11.85 8.850 E7.288 11.82 -0.10 12.02 11.85 1,895 15.726 11.82 -0.05 11.80 11.77 2,135 9,817 11.84 -0.04 11.91 11.77 1,539 7,508 11.77 -0.05 11.78 11.75 105 1,271 COTTON NYCE (50,000/bs; cents/lbs) 73.65 +0.07 73.80 73.30 2.501 0.540 73.75 -0.10 74.00 73.52 5.243 42.573 75.03 -0.07 75.15 74.77 853 11,784 75.76 -0.07 75.85 75.60 450 4.880 75.45 +0.35 75.45 75.00 93 671

■ ORANGE JUICE NYCE (15,000fbs; pents/fbs) 69.05 - 69.80 68.59 124 11,227 70.50 - 71.00 70.10 5,077 12.697 78.45 +0.15 78.75 78.05 504 3.681 79.15 +0.65 79.25 78.80 229 01.65 +0.65 81.50 81.20 115 7,312 35,236

Open interest and Volume data shown for contracts traded on COMEX, NYMEX, CBT, NYCE, CME, CSCE and IPE Crude Oil are one day in arrears. Volume & Open Interest tetals are for all traded months. INDICES

Aug 20 Aug 19 month ago year ago 1905.6 1892.5 1883.7 1948.0 ■ CRB Putures (Base: 1967 = 100) Aug 19 Aug 18 month ago year ago 239.92 237.68 GSCI Spot (6ase: 1970 = 100) Aug 10 Aug 18 month ago year ago 194,88 192,55 182,76 204,1S LINE WAREHOUSE STOCKS from +1.175

Reuters (Base: 18/9/31 = 100)

MEAT AND LIVESTOCK ■ LIVE CATTLE CME (40,000ths; cente/ftrs

56.425 +0.1 56.900 56.200 2,479 2,748 88.850 -- 69.475 68.525 9.853 49,148 70.500 -0.5 71.250 70.400 9.280 21,741 72.500 -0.35 73.025 72.425 1.586 11.300 74.500 -0.35 75.000 74.425 422 71.425 -0.3 71.800 71.350 579

1550 +15 1550 1535 588 1,665 Oct 70.375 +0.175 70.500 69.550 3,827 17,030 62.500 +0.100 82.550 62.250 66.975 - 67.200 68.850 14 65.200 -0.250 65.550 65.200 10

PORK BELLIES CME (40,0000s; cents/fbs) Prev. day Aug 83.850 +0.100 84.150 82.900 147 1204.17 Pub 70.000 -0.150 71.300 70.000 936 70.800 -0.150 71.300 70.000 71.000 -0.150 71.000 70.400 71 475

> LONDON TRADED OPTIONS Strike price & tonne - Calls - - Puts -(99.7%) LME

1700 ..... ■ COPPER (Grade A) LME Pres. day COFPEE LIFFE Sep No. 37, 127.67 1500 28 11S 9 136.65 1550 8 93 37 1800 1 74 82 ■ COFFEE LIFFE Sep Nov Sep Nov COCCA LIFFE Sep Dec Sep 1000 ...... 45 102

> LONDON SPOT MARKETS ■ CRUDE Of FOS (per barrel) \$17.81-7.86w -0.175 Brant Blend (Oct) \$18.78-8.79 -0.155 Brant Blend (Oct) \$19.03-9.05 -0.17 W.T.L \$20.25-0.27\times -0.205

OIL PRODUCTS INTERport delivery CF (form

PE PRENT CRUCE

Heavy Fuel Oil \$91-93 \$190-192 Diesel \$175-1

NATURAL GAS (Pence/therm) 8.90-9.00 Petroleum Argus. Tel. Landon (0177) 359 8752 ■ OTHER

Gold (per troy oz) Silver (per troy oz) Pistinum (per troy oz.) 451.00c Paladium (per troy oz.) Copper Lead (US prod.) Tin (Kuala Lumpur) Tin (New York) -0.02 14.63 251,5 Cattle (live weight) Sheep (live weight) Pigs (live weight)† +0.94 100.10p 108.51p 68.85p \$287.20 Lon. day sugar (raw) -0.40 Lon. day sugar (wte) Berley (Eng. feed) \$345.60 Maiza ILIS No.3 Yellow) 2109.00 Wheat (US Dark North) Rubber (KL RSS No1) 252.02

Cotton Outlook'A' incies 433p É per tonne urises attenuise stated, p pércefiq r ringstrig, in Mateysian certains, y AugiSea, s Vicerdon Physical, § CE Rossettan, & Bu

Cocorat Oil (Phill) Patn Oil (Malay.)

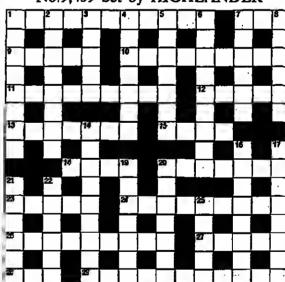
Copra (Philis

643,325 54,680

557.5y 492.5z

\$380.0v

**JOTTER PAD** 



1 Go to Mediterranean to ready-made (5-2-4)
7 Miss convict's back (3) 9 Runs local game (5) 10 With influence on moving

sponge (9)
12 Quick – it's cold (5)
13 Vessel from Spain captured

(4) up in Florida (8)
18 Shock from most unex 17 Holding fast there and at

girl (9)
26 Wild bull - save a person's precious things (9)
27 Sick in the centre of the French department capital (5) 28 The French kiss is slack goes without saying! (8)

DOWN 1 Produce new version of naval flag without central character (8) 2 District in Yorkshire publicised by Porter (8) 3 Worthless coverings in

Ones (11)

29 A thousand additional ships needed to raise little other words dropped by

**CROSSWORD** No.9,459 Set by HIGHLANDER

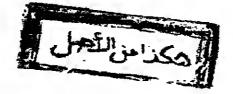
iterranean to to produce high spirits (7) something 5 Bad feeling of resentment say, when demand not at its highest (3-4) 6 Familiar ways of referring to people with prison terms

11 Passing criticism on team's 7 Influenza earlier? Put gym nastics training on hold (6) 8 Run on next to early leader hy imperial unit (7) 14 Emanations from Tom's 15 In this Hindu book a maiden falls for love god 16 Several ships — many laid

pected source (4) sea (8)
20 Was hurrying but showed 19 Allowed to kiss first piece the way round school (7) of jewellery (7).
23 Rugby witticism backfired 20 Combination of metals In preparation period (3-2) that's also a wood (5) 24 Clean draw - no line on 21 What men behind the wheel do: over fifty? Rubbish! (6) 22 It describes arrival of many

in unstable condition (6) 25 Ill possibly on account of Solution 9,458





oue instrance

THE METERS

The is not the

No. Call Lat. COLUMN TOWN

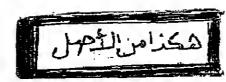
The second secon

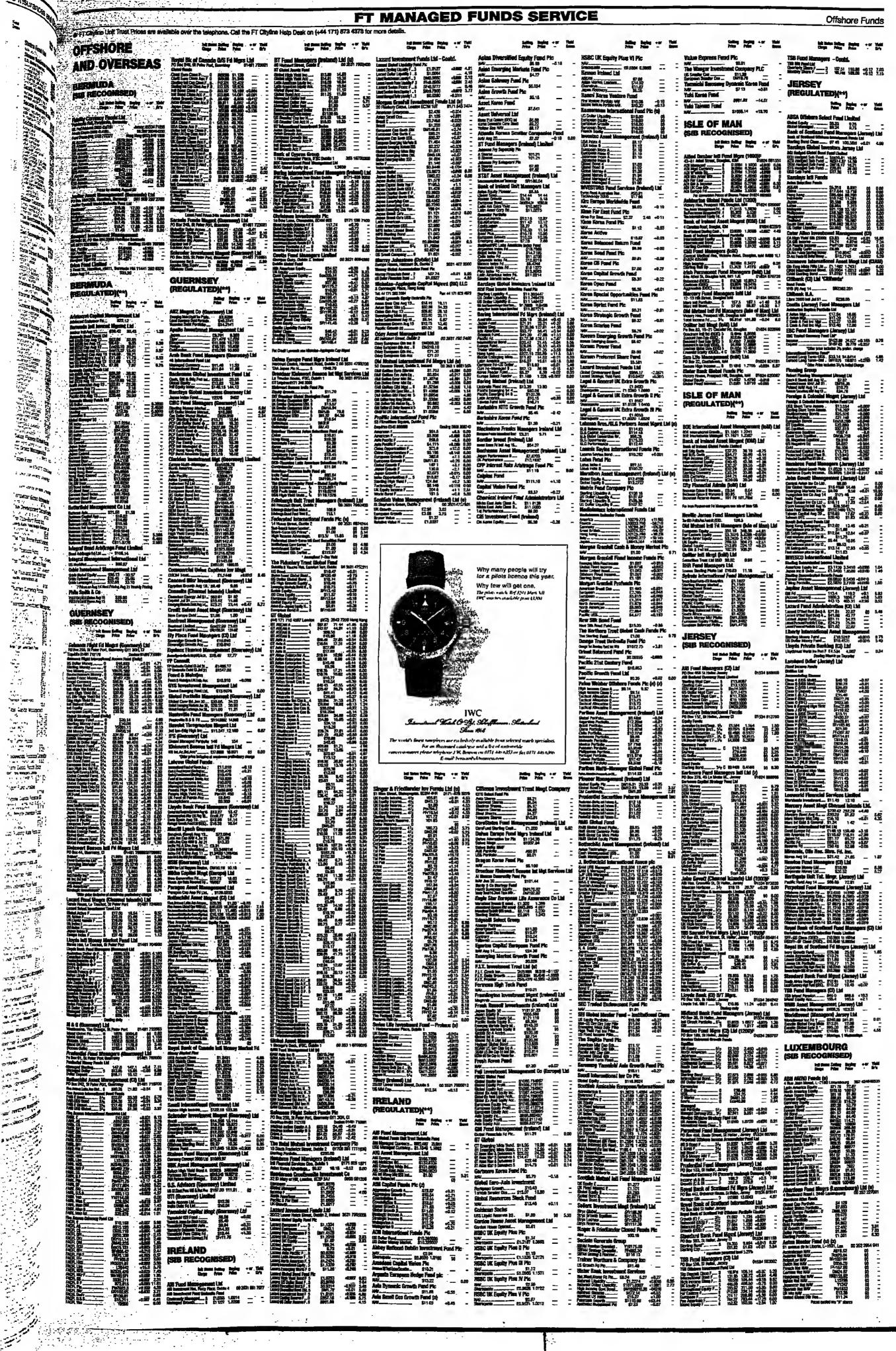
-

A 100 M

A THE SHIP

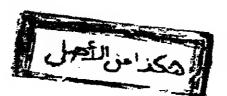
The last start and . . . . . . THE WAR BEEN





Offshore Funds and Insurances FT MANAGED FUNDS SERVICE

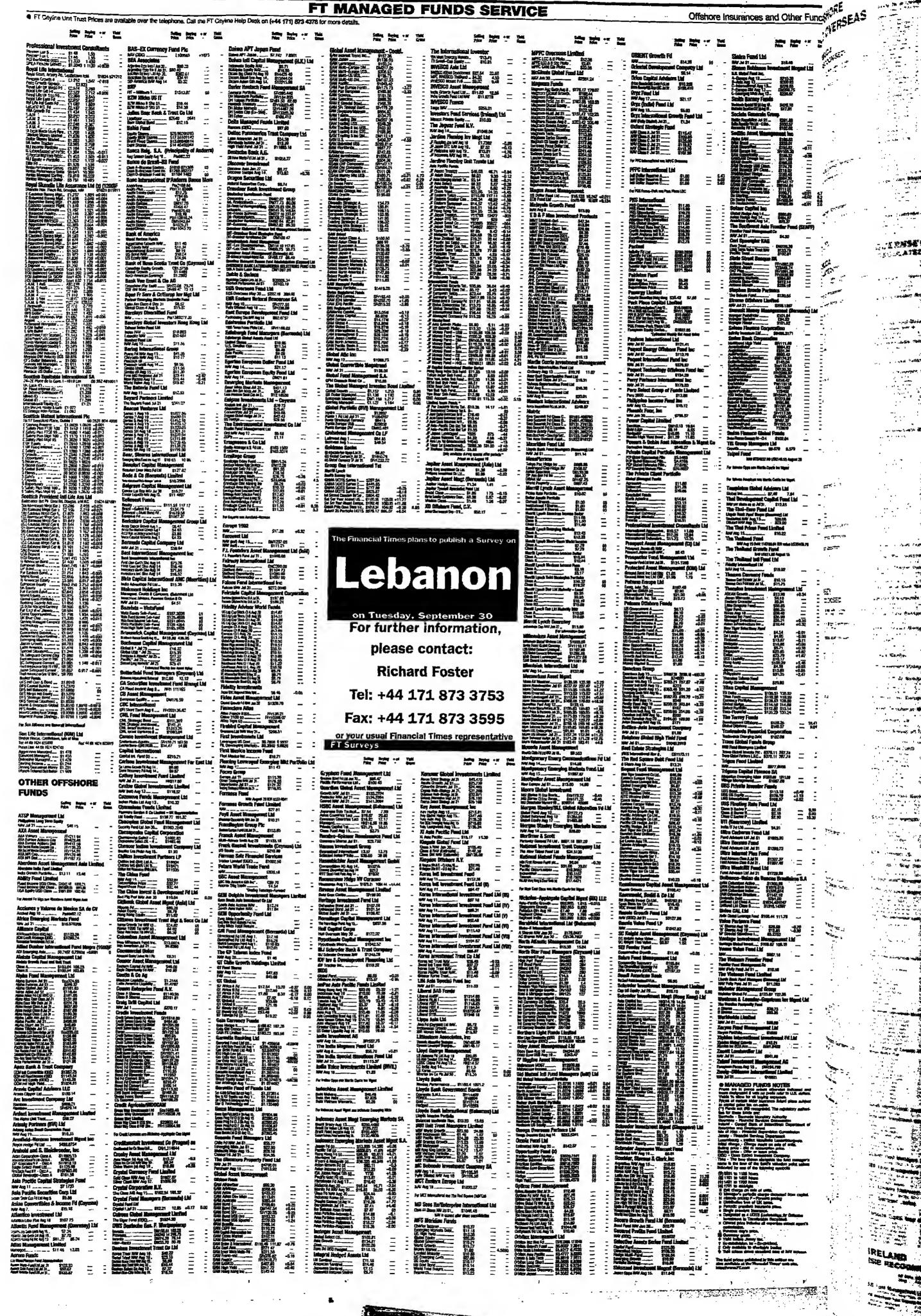
● FT Crtyline Unit Trust Prices are available over the telephone. Call the FT Cityline Help Desk on (+44 171) 873 4378 for more details.	
Not interes control of the control o	Selby Toylor on That Pilon Pilon - Grow Friends Provident International
The property of the property	Mart House, Sin Eaprice, St Palar Pt, Caly 17407 /CDC/10 Benggot 1344 165,0 +24 - K Eging Growth 140,5 187,0 +13 -
17 - Charles 20 -	American Stourts 1855 1784 +89 - or Rest Growth 103.7 170.3 +2.8 - or Rest Growth 183.0 295.2 +5.4 - ord Internal 172.3 178.5 +0.7 -
Grait Unificational Plates (UAMA 544	Jean Deposit.  Jean Deposit.  Jean Harman Particle. 187.6 133.6  Jean Harman Particle. 188.4 127.0 +0.3  Jean Harman Particle. 188.9 107.4  Jean Profits Geries Q. — 100.9 107.4  Jean Particle Geries G. — 100.9 107.4  Jean Particle G. — 100.9 107.4  Jean
Comment Companies   Description	S paler Cithol Managed. 12.96 2.86 — - ty Gobel Managed
AND ASSET MERCAPHORE LIM THE PROPERTY LAND STATE AND STA	R C Dudded 51 240 240 55 240 5
Control 1958 - 2 \$540.05 Canal 5 1956 - 3 10th 20.55 - 15 5400 to the profit of th	65 Specific Managed \$1,204 1,205
Martingree GMA, 2001 Barrier, Susception   Charles   C	Si Stock Harmer
Profit Renor County 51.5.5 40.7 5 10.5 10.5 10.5 10.5 10.5 10.5 10.5 10	\$6 Found Internet
Burgotian Freed to 1. (2015) # +004 - GT westerner 8 \$23.04 +017 1 179 Assembly 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Section 1990 House, Section 1 199
Gotte Board Co	ngle Isamustana Han, North Chen, Doughe Ishi + 1624 (8000) Managari - 90.27 (15 a.2351 - Equally - 50.205 (2.716) - Flood Managari - 90.2364 - Dopposit - 20.257 a.2521 - 
Basingsis Indicators: According in the Marketing of Section 1997 1997 1997 1997 1997 1997 1997 199	Committee   Comm
Rancharys Diversified Portfolio (2) Manual Specific Service Se	0 F Floot (Informati St.) (SECT VI 1737 - ) 5 F Floot (Informati St.) (SECT VI 1737 - ) 5 F Floot (Informati St.) (SECT VI 1734 - ) 6 ST Floot (Informati St.) (SECT VI 1734 - ) 7 ST Floot (Informati St.) (SECT VI 1734 - ) 7 ST Floot (Informati St.) (SECT VI 1734 - ) 7 ST Floot (Informati St.) (SECT VI 1734 - ) 7 ST Floot (Informati St.) (SECT VI 1734 - ) 7 ST Floot (Informati St.) (SECT VI 1734 - ) 7 ST Floot (Informati St.) (SECT VI 1734 - ) 7 ST Floot (Informati St.) (SECT VI 1734 - ) 7 ST Floot (Informati St.) (SECT VI 1734 - ) 7 ST Floot (Informati St.) (SECT VI 1734 - ) 7 ST Floot (Informati St.) (SECT VI 1734 - ) 7 ST Floot (Informati St
	cuth Eart Agin
Part	post Fest
BPS Heighed Global But First Part   - Head Formation From From From From From From From From	levrus Stategic 52,1119 0,1200 54,65 52,65 .
10   15   15   15   15   15   15   15	Ref Symin Emily Eurol. 00.1744 0.1226
CAM Assessment Found   17-25   180	annya Careth E
International Equity. 1 and 1 775 + 40.00 1 1009   1775 + 40.00 1	Spilly
Streety's And Enably 57 990 41 15 - Output Gladed Street 1 10 100 41 2	INT S 51.067 INT 155 51.226 INT 155 51.226 INT 155 51.226 INT 154 51.226
Second Control   Seco	Attor Property Bend ". E0.85 G.R
25 Cast Earth	Second   Contractions   Contractions   Contractions   Contraction   Co
German Bornd 904.2018 6-07.2 150.2 Global Employ March 1. 50.1 9.55 1.5.1 5. 5. 5. 5. 5. 5. 5. 5. 5. 5. 5. 5. 5.	1000   1000
Discourage places DAM SECTION DESCRIPTION	id Mindred Geography Hex 121, St Poler Port, Supressy 125, 27 Poler Port, Supressy 126, 127, 128, 128, 128, 128, 128, 128, 128, 128
Distriction	The Manuscript Conference of the Conference of t
Second Color Color   Second	Sin-denial 51.249 1345   Sin-denial 51.249 1345   Sin-denial 51.249 1345   Sin-denial 51.250   Sin-denial 51.251   Sin-denial
South Earl Ass Equation   S164 22   Chara Profession   S174 23   4.15   Nump Perior Found   5   Nump	parette Stante
Commercial Union Library SA (u)  **Var Siese Personals 1, 1976   1972	The second and the se
Fur Extract Graft	may CF Codinate Engage . 0041.217 1.308
Composing Section Deposits   Composits Section Deposits   Composition Deposits	1.00   1.00
Decrease Grave   1.002   1.003   1.003   1.003   1.004   1.004   1.004   1.005   1.0	ter filamped Finds filam haf Minapped 50.890 1.069 soor Long Terra Corin 57.209 1.300 soor Long Terra Agg., 57.001 1.077 ale filadean Terra Agg., 57.009 1.107 Metabook Stong Kong
Dotar reserve Act	for Money Master
Princh Band Act	February 1. 1.20   1.20
DB Investment Management SA 2 Bandesar formal Agency Live 2 Bandesar formal Agency Live 3 Bandesar formal Agency Live 3 Bandesar formal Agency Live 4 Bandesar formal Agency Live 4 Bandesar formal Agency Live 4 Bandesar formal Agency Live 5 Bandesar formal Agency Live 5 Bandesar formal Agency Live 6 Bandes	
2. not the Fooce, 1-2011 Louvembourg 00 352 4612751 Footer 1-2012 10 10 10 10 10 10 10 10 10 10 10 10 10	1000    1000
Durkin Equities Med. 0.04210.66 Canadam (rotar Bond. 05.72 183.36 - US Smaller Cos 6 2.55; 25.25 3.271 0.30 BH Keystone Asia Precision Fund. 57.50 32.66 - Precision Fund. 57.50 32.65 - Precision Fund. 57.50 32.6	polon Georgia Ministri. \$1,000   1,007   Ministrial Indexensional (Gaurracory) Lied 301 121, St. Pater Part Gaurracory   11-091 726729  19 Ministrial Company   5,003   5,003   19 Ministrial Company   5,003   5,004   19 Ministrial Company   5,003   5,004   19 Ministrial Company   5,003   5,004   19 Ministrial Company   5,004   19 Ministrial Company
Switches Board Co	Fined Internet
	Shortunia   S.   S.   S.   S.   S.   S.   S.   S
Del in Indicated For Day 1977 1 50 50 50 50 50 50 50 50 50 50 50 50 50	non Starchard
Cond Capital Bulletin \$1.014 -0.022 = Unit America Capital Statist \$10.04 -0.022 = Unit America Capital Bulletin \$1.004 -0.022 = Unit America Capital Bulletin \$1.004 -0.022 = Unit America Capital Bulletin \$1.004 -0.023 = Statist Registry A \$12.40 +0.023 = Statist Registry A.	The Special IRIG. 2016/22 1.056
On-Lise Representatives Communication Commun	a France Managed. SF-9.057 9.717
Control Particle And 1 1 1776 - 100 - 1276 - 1276 -	Demission of the Control of the Cont
Kennestini Nas. Place di L'Esche L-1021 Los 87 2174 B. S'immes Marie F. Sindis Storma 92/210 4 - Global Grouping Marient A \$177.30 - DEM Bond B - Sindis Storma 92/210 1 -	Plancing Listing Listing   1,285   1
105.4 -17 - 105.6 per 514.5 - 18 - 18 - 18 - 18 - 18 - 18 - 18 - 1	har Activity Messages . \$0,930 1,000
Appelle Land Control of the Control	r Wanged Funds   91.912   1.925   -
Horizon   Section   Sect	or Long Temp Agg., \$1,070 1,151
Lais Appertus	Reducal Autorosoficonal (preferency) L.Ed.
Section   Sect	## Description
PRIS GE DN Coronta	UK Fast Marvell 5 1422 1575 1582 1584 1586 1586 1586 1586 1586 1586 1586 1586
Entropen Belanced DM:16.50 +0.22 1.02 World Minds 97.77 10.5 +0.09 40.09 Contain November 10.5 10.00 10.5 17.18 +0.12 40.0 10.00 10.5 17.18 +0.12 40.00 10.5 17.18 +0.12 40.00 10.5 17.18 +0.12 40.00 10.5 17.18 +0.12 40.00 10.5 17.18 17.18 +0.12 40.00 10.5 17.18 17.	g Mi Sindicounter £1,100 1,276 profes Mariet 38,346 0,011
15 Color	ar UK Greedi 51 (179) 1 (16) 10 (07) 1 (179) 57 (18) 1 (179) 57 (18) 1 (18) 1 (18) 1 (179) 1 (18) 1 (18) 1 (18) 1 (179) 5 (18) 1 (18) 1 (18) 1 (179) 5 (18) 1 (18) 1 (18) 1 (179)
Security Charles   Security Ch	g manufe hander. 20180 1220 1220 1220 1220 1220 1220 122
Participal Provided   Participal Provided   Participal Provided   Participal Provided   Participal Provided   Participal Provided   Participal Participa	Instant International Gale of Bland Ltd  **Hos, Prospect Fill, Dougha, Indi
Feet Design   1   10   10   10   10   10   10   10	nom Budgs 22,000 21884 - 4,000 - 5,000
DEC 511 41 41 41 41 41 41 41 41 41 41 41 41 4	motific societe anonyme
First   Firs	Referend Ang. 20 FR6225.02 - 11.80 Filtracks Ang. 20 FR6225.03 - 42.72 Filtracks Ang. 20 FR6225.03 - 42.72 Filtracks Ang. 20 FR6225.03 - 40.23 Filtracks Ang. 20 FR6225.03 - 40.43 Filtrack Ang. 21 FR6225.03 - 41.60 Filtrack Ang. 21 FR6225.03 - 42.70 Filtrack Ang. 21 FR6225.03 - 42.70
Figure   Control   Contr	10 Security 1 129. 11 +0.22 - 12 12 12 12 12 12 12 12 12 12 12 12 12
Fire Right Control   1973   1974   1975   1974   1974   1974   1975   1974   1974   1974   1974   1974   1975   1974	M 140
Fig.   Control	Decal   Deca
Entering (a) (b) (c) (c) (c) (c) (c) (c) (c) (c) (c) (c	Ed Grossin 5 - 1710 197

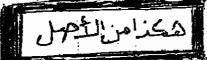


TENSE!

SANT OF THE PERSON

RELAND





LONDON SHARE SERVICE 무기에 보내되는 이 문에 보는 이 되었다. 되었다면 보는 이 되었다. 되었다면 보는 이 문에 보는 이 문에 보는 이 되었다. 이 문에 보는 이 문에 보는 이 문에 보는 이 문에 보는 이 되었다. 이 문에 보는 이 문에 보는 이 되었다. 이 문에 보는 이 되었다. 이 문에 上,这个人,我们就是一个人,我们就是一个一个人,我们就是一个人,我们就是一个人,我们就是一个人,我们就是一个人,我们就是一个人,我们就是一个人,我们就是一个人, 一个人,我们就是一个人,我们就是一个一个人,我们就是一个人,我们就是一个人,我们就是一个人,我们就是一个人,我们就是一个人,我们就是一个人,我们就是一个人,我们 | 10.56 | 21.9 | Particular India | 1.5 | Particular India | Part BESTER STREET ST では、1000年の19 MES, PUBS & REST 52 week Mid high low CapEm 262 134 11,481 94 55 3,636 10012 8412 54.4 | The control of the 是一个人,我们就是一个人,我们就是一个人,我们是一个人,我们是一个人,我们就是一个人,我们就是一个人,我们就是一个人,我们就是一个人,我们就是一个人,我们就是一个人,我们 Expatriate? Needing a higher level of income? In Pesetas:

| Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$28 200 | Phone: +44(0) 1534 \$200 | Phone: +44( In Pesetas? ELECTRICITY 12.3 (1.5) ( 

rmen ough

46.0621 31 18 1

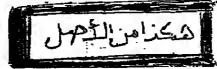
an

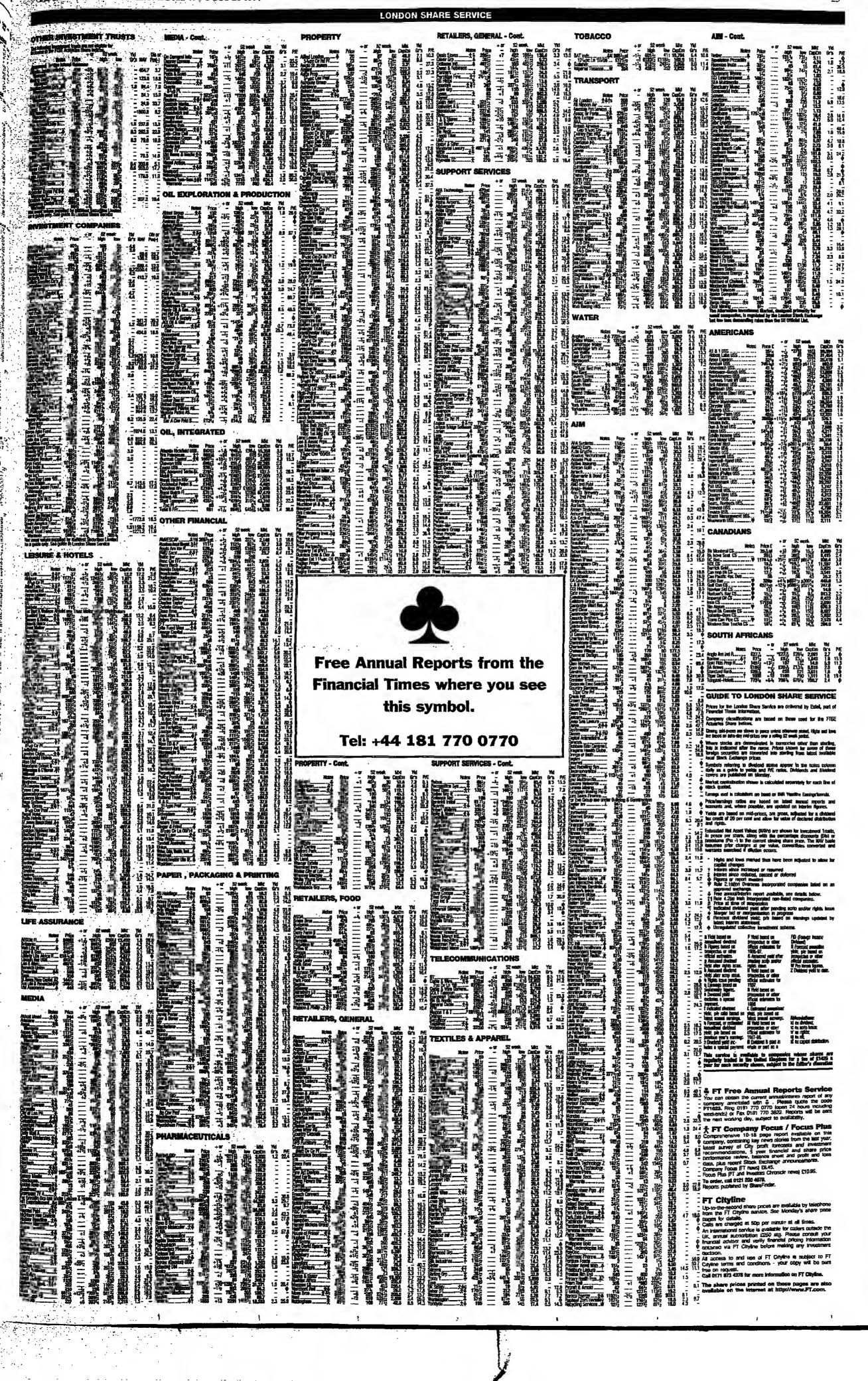
ORD III

A CALL TO SELECT THE S

11.20

Land of





### LONDON STOCK EXCHANGE

# Equities respond to good news on US rates

MARKET REPORT

By Steve Thompson, **UK Stock Market Editor** 

The UK equity market's rehabilitation after last Friday's ket's second liners, with the months. Marketmakers were 125-point slide was taken a stage further yesterday. Big gains in 6.6 rise to 4.687.4. London were similar to those across other European markets. which registered their relief that the US Federal Reserve had

decided to leave rates on hold. Dow Jones Industrial Average 2.250.9, up 11.3. post its second consecutive threefigure gain, almost retrieving the 247-point loss recorded in the US

At the finish of a brisk trading market awaiting the Fed news. showed a 44.2 gain at 4.958.4. a two-day rally of 123.4 points.

There was a much less convincing performance from the mar- lowest daily turnover for some FTSE 250 index only managing a

A long list of stocks including many engineering companies were hit hy worries about sterhowever, continued to make

Turnover picked up from the tions had backed away from the the summer holldsy period. It's Bank of England will be comfort- session.

session, the FTSE 100 index At the 6pm reading, turnover was 775.7m shares, compared with Tuesday's 694.9m and Monday's 595.5m. The latter was the slightly surprised at the uptick in

One said he welcomed the increase in liquidity, but he warned that the market would be ling. The FTSE SmallCap index, wrong to get too complacent with the recovery in London and Wall The Fed decision had seen the progress, finishing at a high of Street in the past couple of sessions.

> "There is precious little supdepressed levels seen on Monday port above 5,000 on the FTSE 100 in sales momentum. and Tuesday when the institu- and we're still in the middle of

too early to say we've ridden out able with annual retail sales runthe storm," he said.

Equities derived some support shortly after the opening and sales and M4 money supply for last month.

The retail sales figure came in up 0.3 per cent, compared with a consensus forecast of 0.4 per half, not slow, and the Bank, as cent, while M4 expanded by 0.8 well as the markets, will be surper cent, slightly above the con- prised by the strength inherent sensus forecast of 0.7 per cent. Some economists voiced con-

cerns about the year-on-year rise

"We helieve the recent

share price will be

short-lived, providing an

excellent bnying opportu-

nlty," said the securities

house. It added: "The earn-

weaker and good weather

likely to be boosting Ice

However, NatWest is nega-

said: "We expect develop-

Cadbury's struggle there."

Rentokil rose 3 to 217%D

after the group announced a

44 per cent leap in first-half

profits to £193.9m. Growth

was less than expected but a

positive outlook boosted sen-

timent and dealers said gen-

eral optimism ensured the

company's shares had

resisted post-results profit-

taking for the first time in 10

BP lifted 34 to 893p on con-

tinuing upbeat hroker com-

ment on the value of its 16

per cent interest in the Dalia

Satellite broadcaster

BSkyB was weak again, fall-

ing 3 to 435p as Credit Sulsse

First Boston issued a post-re-

sults sell note. The broker

argues: "The bottom line is

that the market has been

pricing in margin expansion from BSkyB's already exces-

sive levels for too long". Huntingdon Life Sciences,

a contract testing company

whose shares were

suspended because of con-

cerns over its animal testing licence, came back to the market at 46%p. The Stock Exchange restored its listing following a full review which led to the company making

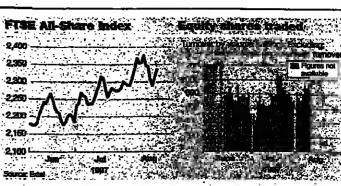
and training changes.

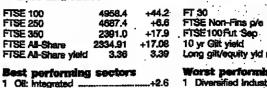
field off Angola.

ning at 6.5 per cent, the highest level since July 1988 and the from the early strength in gilts, highest in the world at present. which moved modestly higher Furthermore, in the three months to July sales were up 9 immediately after news of retail per cent annualised on the previous three months," said David Bloom at HSBC James Capel.

He added that the economy "will accelerate into the second in the economy."

Wall Street behaved erratically at the start of trading in the US yesterday, slipping before rising "It is impossible to believe the over 30 points not long into the





FTSE 100 Fut Sep

TRADING VOLUME

Engineering: Vehicles +2.3

# Gencos surge on review

By Peter John and Joel Kibazo

Power generators raced to the top of the Footsie performers' table yesterday as the market responded with enthusiasm to the latest pri-

The review gave a lift to the status of stocks that are increasingly sought as currency safe havens and for their yield attractions.

It led to a radical rethink by some of the bears of the sectors, who were left stunned by the generosity of Professor Stephen Little-

child's recommendations. pessimistic views on all the leading generators, apparently arguing that the game had shifted for at least two years, it moved from "sell" to "hold" on National Power, "sell" to "add" on PowerGen and "sell" to "neutral" on British Energy.

NatWest reinforced its posltive stance. Analyst lan the Granada share price." Graham sald the review would please everyone. "It is tors should adjust for both a structure which does not the BSkyB stake and BDB unset the industry and should not be costing the customer too much more." ton gained 5% to 506%p.

Currency fitters knocked

paves the way for electricity cent, the higgest percentage price cuts of between 7.5 and fall of all the UK's top 350 10 per cent over the next two stocks. years compared with fore-

sion. Generators have most to fear from an MMC ruling hecause of their comparative lack of competitiveness.

to 166 ap. PowerGen jumped 35 to 761 p while National Power lifted 23 to 5391 ap and Scottish Power 11 to 431' 2p. Bulls of Granada just gained the upper hand, the shares closing 3 to 805' p. in

company. Urging investors to huy SBC Warhurg removed Its (BDB) television venture with Carlton Communica-

tions. The hroker estimates the value of Granada's stake in BDB at £313m or 37p per Granada share. "We conclude that this investment is an Impressive example of value creation and its prospects are not reflected in

Kleinwort suggests inveswhen valuing Granada. Carl-

The regulator's formula David S. Smith by 5.6 per

The shares fell 12 to 202p. casts of 10 to 12 per cent. continuing an apparently

Consequently, it removes inexorable slide that has Bank and ING. Commerz- to "add" to holdings, we that reflected a loss of concerns that the companies taken the stock down from hank declined to comment will appeal to the Monopo- above 340p a year ago. The lies and Mergers Commis- stock also reflected selling pressure derived from an agency cross of 2.7m shares traded at 216p on Tuesday.

business.

Panmure Gordon says British Energy leapt 11': about 50 per cent of the group's trading profit is affected directly or indirectly hy the strength of the pound against the D-Mark. The paper and packaging company is the sector's most heavily geared sterling play trade of 3.9m after Dresdner and profits for the year to Kleinwort Benson published April 1998 are expected to be a 44-page note on the virtually halved if the pound stays at present levels.

HSBC gained 35 to £22.111/4 the shares, the team at as a flurry of speculation Kleinwort has set a near- swept through European term share price target of stock markets that the UK's 940p, well above current lev- higgest hank was poised to els. in its note, the broker make an offer for Commerzhighlighted the value of bank of Germany, HSBC was Granada's stake in the Brit- one of several mooted suitish Digital Broadcasting ors that included ABN Amro Securities advised clients

on the rumours and denied talk it would hold a news conference in the afternoon. However Lloyds TSB, which was also mentioned in connection with the German bank, eased a penny to 739p ings picture is looking very with some speculation that a robust, with sterling now cautious hroker stance was

about to hit clients' desks. Ahbey National improved cream sales." 18 to 8321/ap in the wake of a recommendation from HSBC James Capel.

Halifax rose 41/2 to 736p ahead of interim results today.

A clutch of recommendations helped boost Anglo-Dutch giant Unilever. The shares appreciated 3812 to £18.55. Dealers said Merrill Lynch had upgraded its long-term recommendation for the stock to "buy" from "neutral" while NatWest

	Aug 20	Aug 19 .	Aug 18	Aug 1S	Aug 14	Yr ago	"High	Low
FT 30	3167.2	3156.0	3124.8	3143.3	3198.2	280B.4	3222.3	2668.8
Ord, div. yield	3.48	3,50	3,53	3.51	3.44	4.06	4.22	3.39
P/E ratio net	18.61	18.49	18.30	18.40	18.80	18.96	19,07	15.80
P/E ratio n#	18.42	18.30	18 11	18.22	18.81	16.82	18.88	15.71
FT 30 since comple	anon, high :	3236.5 12	08/37; icw	49.4 26/	06/40. Bes	e Date, 1/	7/35.	
FT 30 hourly o	banaes							

Open 3.00 10.00	LIAU	12.00 12.00	14.00	15.00 16	JUV Hagn	LOW
3176.8 3166.7 3163.8	3161,8 3	158,7 3161,1	3162.9	3159.5 316	7.4 3177.5	s 3157 <i>2</i>
	Aug 20	Aug 19	Aug 18	Aug 1S	Aug 14	Yr ago
SEAQ bargains	42.395	42,488	47,921	44,454	44.885	32,456
Equity turnover (2m)†	-	NA	NA	NA	2930.5	1650.6
Equity bargainst	-	NA	NA	NA	38,224	38,860
Shares traded (milit	-	NA.	NA	NA	780.0	538.4
TExcluding Intra-market ar	nd overseas	s tumover but	including	Crest turnor	rer.	

Rises and falls		52 Week highs a	nd lows	LIFFE Equity options			
Total Rises Total Falls Same	1.098	Total Highs Total Lows		Total contracts	47,342 25,557 21,785		
Aug 20 'Data b		iquity shares listed o	on the Lo	ondon Share Service	e.		

£348,000 after a decline in

weakness in the Unilever orders. Systems Integrated Research, the AIM-quoted supplier of software products for the education market, jumped 21/2 to 71/2p following ny's figures.

The company came to the AIM market last year at

Shares in diversified tive on Cadbury Schweppes, industrials group Tomkins a shade firmer at 598p and fell 10 to 317%p as they responded to a "trading sell" ments in the US soft drinks recommendation by HSBC market to remind investors James Capel, according to of the unequal nature of dealers. Volume was 2.7m by the close.

> BTR's strong run ended vesterday as the shares finally ran into profit-taking.



FTS	E 100 INDE	FUTURES	(CIFFE) E	25 per tuli	andex point	<u> </u>	(AP
	Open	Sett price	Change	High	. Low	Est. vol -	Open in
Sap	4965.0	4986.0	. +42.0	4992.0	4938.0	8292	71980
Dec	5023.0	5052.5	+42.5	5033.0	5016.5	750	6792
Mar	5070.0	5096.0	+42.0	5080.0	5070.0	266	391

# FTSE 100 INDEX OPTION (LIFFE) (\*4958 ) £10 per full index point

III FURO STYLE FTSE 100 INDEX OPTION (LIFFE) £10 per tuli index point

+14.0 4780.0 4719.0

Colle 6,635 Puls 8,540 " Underlying + Long dated emitty months.

LONDON RECENT ISSUES: EQUITIES

pa	•	сар				price					P/E
ц	p	(Em.)	High	Low	Stock	P	+/-	div.	COV.	yld	net_
§ F	P,		415		Antologesta Uto	404			_	-	
§ F	P.	5,121	246	22012	Billion	246	+4	FIQ10a	1.8	2.6	24.5
• F	P.	7.94	801/2	705	States Clothing	79 <sup>1</sup> 2		L1.45	5.1	2.3	8.7
- F	Р.	85.8	1093			1094		-	-		-
0 F	Р.	29.0	145	10912	Cammell Lated	13612		138	2.1	.3.5	13.2
F	P.	-	115	114	D48			Z2.75	_	3.1	
· F	P.	9.92	11742	11712	Fairfield Ents	11712		W2.0	7.9	2.1	7.4
9 F.	Р.	4.61	34	312	Trairplace Costo	35		-	-	_	-
- F	Р.	7.24	65			55		-	_	-	43.5
0 F.	P.	237.1	202	1622	Galen Hidgs	19512	-1	פמו	6.7	0.6	31.5
5 F.	P.	5.81	135	99	Helicon Publist	99		_		-	-
6 F	Р.	564.5	39612	38812	lonies.	37612		-	-	-	_
		17.0	17512	17212	†Koofisher Leis	17512		LW2.0	6.0	1.4	14.6
* F.	Р.	_	7912	7852	fLEPCO .	7812		-	_		-
0 F.	P	4.21						3.3	1.7	4.4	18.6
3 F.	Р.	44.1	21712			205		RS.B	28	3.5	12.3
0 F.	Р.	32.7		9912	Resbourze Media	10812		-	٠. ـ		
0 F	P.			70512	1586 Group			124	2.0	2.7	19.3
		-	3812				-1			_	-
		-				5312		-	-	-	-
		-						_	_	_	٠ ـ
		77.5					-14		-	_	٠.
	95 F F F F F F F F F F F F F F F F F F F	9 F.P.P.P.P.P.P.P.P.P.P.P.P.P.P.P.P.P.P.P	up (2m)  § F.P	up (2m.) High F.P 415 F.P. 7.94 801 F.P. 7.94 802 F.P. 29.0 145 F.P. 29.0 145 F.P. 461 34 F.P. 7.24 65 F.P. 461 34 F.P. 7.24 65 F.P. 581 135 F.P. 581 135 F.P. 581 135 F.P. 7.24 56 F.P. 581 135 F.P. 7.24 56 F.P. 581 135 F.P. 421 88	up (2m.) High Low  § F.P. 403 403  § F.P. 794 80½ 70½  F.P. 794 80½ 70½  F.P. 285.8 108¾ 101  F.P. 280 145 109¾  F.P. 115 114  F.P. 9.92 117½ 117½  S.F.P. 451 3¼ 3½  F.P. 724 65 55  G.F.P. 287.1 202 162½  F.P. 5.81 135 99  § F.P. 564.5 396½ 398½  G.F.P. 17.0 175½ 172½  F.P. 7.77 120½ 106½  G.F.P. 327 112½ 999½  G.F.P. 327 112½ 999½  G.F.P. 331 33  F.P. 5.81 33  F.P. 421 98 33  G.F.P. 327 112½ 991½  F.P. 328 112½ 991½  F.P. 331½ 33  F.P 34½ 42½  F.P 34½ 42½  F.P 22¼ 191½	up (Em.) High Low Stock  F.P 415 403 Antongesta Uts F.P. 7.94 80½ 70½ (States Casting) F.P. 7.94 80½ 70½ (States Casting) F.P. 85.8 109¾ 101 Bristol & W Pri O F.P. 29.0 145 103½ Carrenal Land F.P 115 114 514 8 F.P. 9.92 117½ 117½ Fairhaid Ents S. F.P. 461 3¼ 3½ (Fairhaid Ents S. F.P. 461 3¼ 3½ (Fairhaid Ents S. F.P. 5.81 125 39 (Hadron Public) F.P. 7.24 65 56 103 Hodings O F.P. 5.81 125 39 (Hadron Public) F.P. 7.84 50 306½ 2080 Hidgs S. F.P. 564.5 306½ 2080 Hidgs O F.P. 410 175½ 172½ (Hongfolter Leis) F.P 79½ 70½ (Hardonard Ents) O F.P. 421 93 33 (Hardonard Ents) O F.P. 421 93 33 (Hardonard Ents) O F.P. 32.7 112½ 99½ Peabourne Marlin O F.P. 7.77 120½ 105½ 1585 Group F.P 38½ 33 Severn Text 9 F.P 52¼ 19½ Thom B	up (Em.) High Low Stock p  § F.P 415 403 Antangesta Uts F.P. 794 80½ 70½ (States Casting) F.P. 794 80½ 70½ (States Casting) F.P. 85.8 109¾ 101 Bristol & W Pri 109¼ F.P 115 114 EM 8 116 F.P. 9.92 117½ 117½ Fairhaid Ents 117½ F.P. 7.24 65 65 109 Holdings 55 F.P. 461 3¼ 3½ (Frairhaid Ents 117½ F.P. 7.24 65 65 109 Holdings 55 F.P. 5.81 125 99 Heldings 195½ F.P. 5.83 125 99 Heldings 195½ F.P. 5.84 306½ 2080 Holdings 195½ F.P. 5.87 125 99 Heldings 178½ F.P. 17.0 179½ 172½ Hongfisher Leis 178½ F.P. 17.0 179½ 185½ Matroline 205 F.P. 327 112½ 99½ Resbourne Montin 109½ F.P. 177 120½ 105½ 1585 Group 109½ F.P 38½ 33 Severn Trent 9 33½ F.P 54½ 42½ Stentor Warrants 5½ F.P 52½ 19½ Thom B 20½	up (2m.) High Low Stock p w/-  § F.P 415 403 AntoImpesta Uts 246 2012 Billion 246 147 F.P. 7.94 80½ 70½ 18tises Clothing 79½ F.P. 7.94 80½ 70½ 18tises Clothing 79½ 105½ 18tises Clothing 105½ 115½ 117½ 117½ 114 548 8 115 115 117½ 117½ 117½ 117½ 117½ 117½ 1	up         (Em.)         High         Low         Stock         p         #/-         div.           § F.P.         -         415         403         Anterlagesta Uts         404         -         -         404         -         -         405         -         -         408         246         407         -         -         408         -         -         408         -         -         -         408         -         -         -         408         -<	up         (Em.)         High         Low         Stock         p         √-         div.         cov.           § F.P.         -         415         403         Antonapesta Uts         404         -	up         (Em.)         High         Low         Stock         p         +/-         div.         cov. yid           § F.P.         -         415         403         Antonagesta Uts         404         +/-         47 F010c         1.8         2.8           F.P.         7.94         205         202 Billion         246         +/-         792         1.1.45         5.1         2.8           F.P.         7.94         8012         702         (Billions Capting)         792         1.1.45         5.1         2.8         2.1         3.5         5.1         2.8         2.1         3.5         5.1         2.8         2.1         3.5         5.1         2.8         2.1         3.5         7.9         2.1         3.5         2.7         3.1         2.2.7         3.2         3.2         1.7         2.2         4.5         5.1         2.8         2.1         3.5         9.7         9.2         1.3         2.2         1.2         2.2         7.9         2.1         3.1         2.2         7.9         2.1         3.1         2.2         7.9         2.1         3.2         1.7         2.2         4.2         7.9         2.1         3.2         1.7

1419.49 -15 1440.99 1812.37 0.99 72.11 1854.46 1244.23 North America (11)

FTSE GOLD MINES INDEX										
	Aug 19	% chy on day	Aug 18	Year 200	Gross thy yield %	P/E Inflo	52 v High	nek Low		
Gold Mines, Index (31) M Regional todices	1423.3	7 -1.1	1439,15	2016.43	2.22	-	2061.05	1270,14		
Africa (14) Australopia (6)	1429.00 1549.5			2554.06 2409.00		28.70 17.91	2695.89 2455.10			

management, procedural While the shares were came out with interim fig-FTSE Actuaries Share Indices The UK Series

+0.9 4914.2 4835.0 4885.8 3872.1 3.33 2.03 18.52 115.28 2127.79
+0.1 4880.8 4864.0 4898.2 4387.4 3.54 1.59 22.18 100.49 1964.28
+0.1 4890.4 4673.1 4704.1 4422.3 3.81 1.62 20.95 103.85 1973.18
+0.8 2373.1 2340.8 2355.9 1937.4 3.37 1.84 18.12 54.78 2094.69
+0.8 2373.8 2340.7 2355.7 - 3.40 1.85 18.88 22.78 1074.75
+0.5 2268.8 2247.3 2255.3 1851.4 4.00 1.78 15.50 68.61 1685.89
+1.0 2478.3 2435.8 2457.8 2030.7 2.39 222 23.53 42.96 1791.07
+0.5 2239.74 2228.63 2243.41 2148.47 3.19 1.74 22.52 44.18 1917.33
+0.4 2208.54 2184.81 2204.73 2140.21 3.46 1.82 19.84 47.50 1904.84
+0.7 2317.83 2287.40 2302.40 1914.18 3.36 1.33 19.31 52.39 2075.98
+0.7 2318.50 2287.30 2301.86 - 3.40 1.94 18.93 22.12 1068.22 FTSE 100 FTSE 250 FTSE 250 ex IT FTSE 350 FTSE 350 ex IT

FTSE AR-Share ex IT	2335.63		2318.50	2287.30	2301.86		3.40	1.94	18.93	22.12	1068
FTSE Actuaries Ind	ustry :	Sect	ors								_
	Aug 20	Day's	Aury 10	Aug 18	Aun 16	Year	Div. yleid%	Net		Xd ed	
The state of the s								_			
10 MINERAL EXTRACTION(20)	4910.71		4800.48					1.94		98.75	
12 Extractive industries(5)	4227.42		4195.87							104.80	
1S Oil, Integrated(3)	5218.44		5084.54					1.98		107.40	
16 Oil Exploration & Prod(12)	3807.62		3768.60	3730.99	3763.66	2626.32	1.51	2.25	36,90	38.65	233
20 GEN INDUSTRIALS(263)	2047.30		2056.58					1.76		49.06	1174
21 Building & Construction(35)	1395.49		1394.34					1.98		28.45	
22 Building Mattls & Merchs(30)	1875.06		1861.33					1.74		42.64	
23 Chemicals(26)	2706.24		2682.27					1.63		71.65	
24 Diversified Industrials(15)	1443.16		1476.91					2.01		46.48	
25 Bectronic & Elect Equip(37)	2172.72		2142.89					1.63		48.75	
26 Engineering(66)	2725.33		2749.33					2.34		52.34	
27 Engineering, Vehicles(13)	3054.18		3118.41					#		65.84	
28 Paper, Pckg & Printing(27)	2158.10		2187.74					1.78		63.44	
29 Textiles & Apparel(14)	1025.56	-0.1	1026.17	1032.18	1038.77	1264,07	6.82	0,99	_	41.67	
30 CONSUMER GOODS(84)	4583.00		4543.36					1.63	20.47	114.41	177
32 Alcoholic Beverages(7)	3299,98	-0.5	3317.49	3307.76	3322.68	2868.72		1.98		90.96	
33 Food Producers(25)	3102.20		3074.78					1.86		69.99	
34 Household Goods(17)	3160.81		3134.18					2.32		54.28	
36 Health Care(14)	2288.40		2286.58					1.81		36.49	
37 Pharmaceuticale(18)	7373.99		7258.14					1.76		153.36	
36 Tobacco(3)	4295.70	-0.4	4311.35	<u> 4307.25</u>	<u>4331.99</u>	3778.01	6.56	1.81	10.55	226.73	116
40 SERVICES(270)	2739.36	+0.4	2729.74	2703.28	2711.14	2570.21	2.94	1.97	21.52	51.46	148
41 Distributors(30)	2872.64	+0.3	2883.71	2859.77	2884.1S	2817.98	3.28	1,93	18.74	54.79	110
42 Leisure & Hotele(31)	3217.52	+0.a	3198.02	3191.04	3177.55	3212.02	2.98	1.92		70.15	
43 Media(41)	4098.10	+0.4	4082.80	4031.70	4035.24	4336.43	2.46	1.94		75.55	
44 Retellers, Food(15)	2422.54	+0.3	2414.18	2387.30	2421.78	2041.95	3.43	2.26	18,18	47.81	1614
4S Retailers, General(53)	2241.62		2239.71						19,47	44,81	1337
47 Breweries, Pubs & Rest.(22)	3405.65		3400.82					2.29		62.74	
48 Support Services(55)	3084.28		3053.42				1.70	2.59		29.79	
48 Transport(23)	2884.38	+0.8	2867.76	2836,05	<u> 2853.75</u>	<u> 2403.43</u>	3.48	1.23	29,20	61.92	1260
60 UYILITIES(31)	3056.91	+1.4	3013.56	3004,61	3003.76	2329.87	4.71	1,45	18,34	76.08	1423
62 Electricity(9)	3410.32	+2.6	3323.43	3305.39	3300.07	2409.65	S.21	2.01	11.94	111.29	1937
64 Gas Oistribution(2)	2339.99		2314.78				5.21	#	. ‡	54,50	1324
66 Telecommunications(8)	2343.27	+1.2	2316.12	2310.43	2312.87	1976.07	3.94	1.55	20.46	44.69	1127
86 Water(12)	2879.25	+0.S	2884.84	2873.38	2859.22	2213.05	5.76	2.27	9.57	90.96	1724
69 NON-FINANCIALS(668)	2339.04	<b>407</b>	2321.85	2297.18	2304.62	2017 42	3.49	1.79	19 98	51.85	1869
70 FINANCIALS(104)	4665.38		4631.38				_	245		119.82	
71 Sanks, Retail(10)			7211.08					2.57		183.00	
73 Insurance(16)	7281.22 1847.73		1840.74				4.69	2.89		73.88	
74 Life Assurance(7)	4882.07		4893.20					2.32		121.00	
77 Other Financial(28)	3387.84		3342.58					1.99		70.61	
79 Property(43)	1995.29		1993.36				3.28	1.32		35.42	
								_			
80 INVESTMENT TRUSTS(127)	3528.18		3504. <u>76</u>				2.15	1.17		46.05	
89 FTSE All-Share(899)	2334.91		2317.83			1814.18	3.36	1.83		52.99	
05 FTSE All-Share ex IT(772)	2335.63	+0.7	2318.50	2287.30	2301.68		3.40	1,94	18.93	22.12	1068
TSE Fledgling	1251.93	aft 4	1247.48	1944 97	1959 19	1298 22	8.25	0.95	AD PE	25.51	1250
TSE Fledgling ex IT	1250.19		1246.24					0.94		26.01	
	_									_	_
TSE AIM	1024.2	,	1023.8	1020.5	1025.2	-	1.03	U.79	80.00†	4.60	939.
I Hourly movements											

2333.87 2331.18 2333.84 2332.93 2329.91 2331.17 2332.30 2328.75 2334.89 2335.98 2327.40

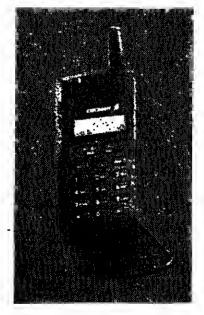
Stocks Yesterday 91 2,000 3,000 1,100 3,000 1,2

When Ericsson called for a 24-hour FX trading desk

CHASE

# Chase answered it.

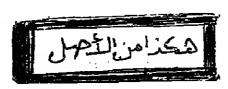
Sweden's Ericsson tapped Chase's expertise in global foreign exchange to effectively manage currency exposures from its substantial cross-border commercial flows. With business activities in more than 130 countries, this leading global supplier of telecom equipment calls on the worldwide foreign exchange



<sup>4</sup> Professional management of our foreign exchange flows and currency risks is an integral part of the successful development of our company. We look to Chase for their execution strengths, creative ideas including options and a truly



CHASE. The right relationship is everything:



STA STANSON	Highest transfer and the second secon	WORLD STOCK MARKETS	
	Chart   1.072ml   -1.6   1.282   440   2.0   310   5.0   5.0   1.20   4.0   4.		+/- High Law Tile PK Sales
	Charles   1972   -18   1982   -18   -18   1982   -18	15.5 HORNIAY (Aug 20 / Kroper) Greing 132 -2 141 14 23 313 FIDNI SNR DD -2 00 72 M KMM No. 105 105 105 105 105 105 105 105 105 105	24 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1.
The state of the s	Action   7,000   +00   8,500   478   6,500   488   6,500   489   7,500	ABB Rg 481.50 +13 487 267 27.1 MC 1.500 1760 990 0.4 Sayou	600 -1 617 572 1.6 413 Hadrid 77.20 -3.2 at 25 4.50 19 2.3 at 312 4.4 454 454 45 4.5 77 439 1.5 -4 hysne 74.50 +2.5 0 15.2 5.3 13.2 4.5 13.2 13.6 13.2 4.5 13.2 13.6 12.2 13.2 13.2 13.2 13.2 13.2 13.2 13.2
Major Social Mary Manufactions	Secretary   24.40 25615 17530 m53	Travellers,    All	-10 6380 3500 01
diadeninchaumanutiklikaninananananananananananananananananan	Jednet - 500 . + 6 560 300 1.7 70 British 4730 + 95 51.90 25 2.3 19.4 (Scholl 7.4 1.9 79 1.84 1.0 2.3 Bayer 7.924 +1.7 79.0 51.61 23 19.8 (Scholl 7.4 1.9 79 1.8 30.3 British 50.90 +1.10 50.50 50.80 2.1 (Scholl 7.7 1.90 1.8 30.3 British 50.90 +1.10 50.50 50.80 2.1 (Scholl 7.7 1.300 + 50.50 50.80 2.1 (Scholl 7.7 1.300 +50.50 50.80	SSS Re S68 45 669 S15 2.3 165 knotes 188 +3 307 167 .5 5.7 Sumitar Shell Re S16 18 569 45 650 52 2.3 16 knotes 188 +3 307 167 .5 5.7 Sumitar Shell Re S16 18 52 2.5 55 55 .3 5	10 2 (12 2) 4.70 0 6 41.9 Ameni 1 2 (15 4) 4.0 Amen
A the state of the	Sept	Trigon   T	100   20   2360   1300   130
		2 Select 3.5 - 3.5	10
	Aug 20 10 10 10 18th Low 20 10  Augustina Sensial 297277) 40 24483.51 42 24917.90 698 78287.27 21 Topic 47/68) 1482.08 1483.00  Augustina Sensial 297277) 40 24483.51 42 24917.90 698 78287.27 21 Topic 47/68) 1482.08 1483.00  Augustina Sensial 297277) 40 24483.51 42 24917.90 698 78287.27 21 Topic 47/68) 1482.08 1483.00  Augustina Sensial 297277) 40 24483.51 4287.95 277 2982.29 1/4  Augustina Sensial 2972790 487.75 481.74 487.85 480.92 1/8  Augustina Sensial 2972790 487.75 481.74 487.85 297 187.08 297 187.	1663.08   1848.29   306   1516.50   154   Home Boods   164.22   104.13   104.24   104.70   191.60   104.70   54.99   Aur. Ed.   880.45   1271.67   25/2   880.45   18/8   1 ransport   2680.41   2673.86   2684.95   3008.25   2222.07   3009.25   31.23   Aur. Ed.   8	24 + C3 8.00 7.40 8.8 15.0 5 6.8 16.25 13.27 5 6.7 1.228 19.29 23.8 10 + 17 1.278 19.29
	Page	## ## ## ## ## ## ## ## ## ## ## ## ##	58 — OT 8.70 D88 17 77.7  12 + 11 4.90 2 48 2.0 —  13 + 12 4.0 2.0 —  14 + 11 4.90 2 48 2.0 —  15 + 12 4.0 1.0 —  16 + 12 4.0 1.0 —  17 - 10 5 6 3.9 18.7  18 + 11 4.90 2 48 2.0 —  18 + 11 4.90 2 48 2.0 —  18 + 11 4.90 2 48 2.0 —  18 + 12 4.0 2.0 2.0 1.0 —  19 - 12 4.0 2.0 2.0 1.0 —  10 - 12
	The commutativity   805.18   883.07   883.22   883.22   883.27   883.07   883.27   883.07   883.27   883.00   271   883.00   271   883.00   271   883.00   271   883.00   271   883.00   271   883.00   271   883.00   271   883.00   271	Sign	5 -18 7.51 5.83 0.12 1.46 257.4 AbBCC 25.9 -25 22.5 1.71 plota. "Calcular part sign and the streams of the companion of the c
			,

26

### **NEW YORK STOCK EXCHANGE PRICES**

1997 High Low Stacks	Die	Tid.	PY E	54 190s	Kişê	Law	Close Outside	Ciriga Pres. Glove
38,4 24% aar x	Ç AZ	- <i>[</i>			344	34	3416	ء.د
53% 33% AMP s 110% 78% AMP 37% 29% ASA s	1.04	28 48	33 8 45	7253 3231 356	511 <u>-</u> 107.2 30-2	50 <sup>5</sup> 8 164 30 <sub>56</sub>	51 <sup>1</sup> Z 107 <sup>1</sup> 4 29 <sup>1</sup> 6	-16 +21 +212 +212 +16
50% 494; Autota. 201 <sub>2</sub> 141 <sub>4</sub> Abbits 25 173; ACM los 241 <sub>5</sub> 171 <sub>8</sub> Acpticely	7 03 9 49 0 40	1,7 2,2 1,8	0	5303 226 20 20 129	62.% 18.% 24.3 22.%	61 1 <sub>2</sub> 1616 2476 22	52 1816 2476 27	નફ નફ -સ
87 <sup>1</sup> 4 96 <sup>1</sup> 8 ACE 144 10 <sup>1</sup> 8 10 ACM Get in 6 7 ACM GeOgra	x 063	11 86 82	11	645 542 24	64 18½ 7%	_	8314 10.5 714	をかれる
10% 914 ACM Man x 10% 61% Acme Suct 20 13 Acme Mbs 22% 14 ACMetson	0.90	91	AG.	172 69 59 1349	913 613 1416 2216	978 618 1416 214	916 63 142 22	** **
29 <sup>3</sup> s 19 <sup>3</sup> s Acuson 24 <sup>3</sup> s 10 <sup>3</sup> s Adams Espr 40 <sup>1</sup> 2 24 <sup>7</sup> s Adville		23	1	657 361 4847	263g 241g 411g	26 23% 401 <sub>2</sub>	2614 241 <sub>8</sub> 411 <sub>9</sub>	+18 +16 -14
27 <sup>1</sup> 2 10 <sup>3</sup> 6 Advest Grp 18 <sup>1</sup> 2 11 <sup>1</sup> 8 Advo Inc 78 <sup>2</sup> 6 81 <sup>1</sup> 8 Advo Inc 9 <sup>1</sup> 4 3 <sup>1</sup> 8 Advito	1.37		17 20	142 315 1767 2393	742 時	73 <sup>3</sup> g	23 2 17 2 73 3 8 4 57 2	*****
55/k 33 Aero-V z 82 k 48 AES Corp 118 <sub>1</sub> 73 Aetna 32 19 1 <sub>2</sub> AffCom	100			733 20 1360 634	157 <sup>1</sup> 2 75 94 <sup>3</sup> 8 27 <sup>5</sup> 8	34.2 75 93.4 261 <sub>2</sub>	57 <sup>1</sup> 2 76 94 27 <sub>1</sub> 12	-14s
56 <sup>3</sup> 3 37 <sup>3</sup> 2 ABBC <sup>2</sup> x 25 <sup>1</sup> 2 19 <sup>3</sup> 4 AGCO 21 <sup>3</sup> 8 19 <sup>3</sup> 4 AGC, Res x 53 <sup>3</sup> 4 32 Aborton x	0.46 0.04 1.08 0.60	01 56	12 13	3213 20 379 3108	55/6 31 <sup>3</sup> g 19/6 254 <sup>1</sup> g	53 <sup>1</sup> 2 31 <sup>1</sup> 6 19 <sup>1</sup> 6 51 <sup>1</sup> 6	55[5 31 <sup>1</sup> 8 19,3	+23g +16 +16 +23g
59 <sup>5</sup> e 66 <sup>3</sup> e Anthro 50 <sub>4</sub> 6 22 <sup>3</sup> e Anthron Frt 24 <sup>1</sup> 2 13 <sup>1</sup> 2 Anthron Frt 17 <sup>3</sup> e 9 <sup>1</sup> 3 Anthron	1.20	1 4 06	21	2909	635g 1505g 18,%	80% 49% 161 1111	인. 성급	+16 +18
37 <sup>1</sup> 2 22 AirTen 29 <sup>3</sup> s 20 <sup>3</sup> s Alasira Air 25 <sup>3</sup> s 16 <sup>3</sup> s Albany Int 24 <sup>3</sup> s 14 <sup>3</sup> a Albany Int	042	16	751 0 15	2824 1539 303 1031	354 275 127 231	34% 27% 35% 23%	35 kg 27 kg 27 23 kg	古場では
30 <sup>1</sup> 4 23 % AlbCaB : 25 <sup>7</sup> 3 36 AlbCaA x 3612 30 <sup>5</sup> 8 AlbCaA x	0.20 0.20 0.64	07 08 18	20 1 17 17 1	1072 761 6419	29 2 25 2 34 2 37 4	294 24 Å 34 4	29 <sup>3</sup> 4 25 <sup>3</sup> 4 34 <sup>3</sup> 4	+16
40,2 3012 AlcoAl c 8644 4119 AlcoBrown 3159 2512 Alleg? 32,4 21 Alleg? c	060 068 1,72 064	08 5.9 2.0	18 15 23	2960 940 4433 830	85 ¼ 29 ¼ 32	3612 8316 2812 31 1	37 64% 29 31%	+16-6-46
31 4 10 5 Allegace 36 5 16 Allen Com 36 4 25 5 Allengan x 39 5 24 Allace Cap x 17 1 1 1 1 Allega Ca	0.40 0.52 2.29		28 32	2296 522 1810 279	36. 35. 36. 36. 36. 36. 36. 36. 36. 36. 36. 36	30 241 311 333 105	30/4 24/5 32/4 34	***
17 <sup>1</sup> 4, 12 <sup>1</sup> 4 Alince G 35 <sup>2</sup> 3, 36 <sup>1</sup> 8 A MSHR x 84 <sup>2</sup> 6 66 <sup>1</sup> 2 AdSig a 35 <sup>2</sup> 4 29 AlimerPr	1 40 1 04 0.16	8.5	27	79 211 7713 20	1624 5115 6713 3512	195g 51 05,4 35 g	16 <sup>3</sup> k 51 67 <sup>1</sup> g 35 <sup>1</sup> g	+16 12 +17
10 <sup>7</sup> <sub>8</sub> 10 Almer 78 <sup>1</sup> <sub>8</sub> 56 <sup>1</sup> <sub>4</sub> Aliste 35 <sup>3</sup> 4 29 <sup>3</sup> <sub>8</sub> Alnel 20 11 <sup>3</sup> <sub>8</sub> AlpharisiaA	0.84 0.80 1.10 0.18	34 03	15 :	0 7915 2345 175	10% 72% 19%	105 75% 31% 18%	10/4 77/6 32/4 19/4	14
45 <sup>1</sup> 4 32 g Akunas 89 <sup>2</sup> 3 62 g Akunas 32 <sub>1</sub> 2 74 k Aku Cp A 8 <sub>1</sub> 4 8 AmGovino v 21 <sup>2</sup> 3 16 <sup>1</sup> 4 Am Precis	100 0.42	1.2	25 4	1812 1569 1324 723	42 <sup>1</sup> 2 85 <sup>1</sup> 2 30,14 6 <sup>1</sup> 3	4216 6416 2934 616 2136	42 <sup>1</sup> 8 85/5 30/3 6 <sup>3</sup> 2	***
27 16 Am Precis 7% 5% Amariga 85% 62 Ambrin : 27 2 21 4 Amaris and	8 72 0.56	6.8		163 1560 428 599	22 k 6 k 82 k 25 k	21 (2 6/6 80 (4 24 %	24(2	- 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1
62 47 % Amdata 25 % 21 % Am Bus Pro 45 39 % AMEP w x 85 % 53 % AMED w	0.56 0.62 2.40 0.98		16 13 :	727 80 206 886	5912 24 Å	57/2 23/3 42/2 62/4	593g 2416 4316 6112	12444
54% 3612 AmGent x 5,% 5 Am Gort in x 261 <sub>8</sub> 227 <sub>8</sub> Am Him Pr 361 <sub>8</sub> 231 <sub>2</sub> Am Hemge	1.40 0.36 2.10	28 67 85 23	30 3 14	80	5018 53 <sub>8</sub> 243 <sub>8</sub> 35	291 <sub>2</sub> 5,6 24,6 34,6	29 % 5 % 24 % 25	***
847 <sub>2</sub> 57 AmHome x 1 <sup>1</sup> s 11 Am Hotels 1067 <sub>2</sub> 713 <sub>8</sub> Amint 6 <sup>1</sup> s 53 <sub>8</sub> Am Opp inc :	1 64 0.50	22	23¥ 22 8		7012	73-4 985-8 1 81-x	744	-24s -112
14 <sup>1</sup> 4 9 Am Reel Es 27 <sup>1</sup> 5 19 <sup>2</sup> 5 AmStor 22 <sup>1</sup> 4 18 <sup>1</sup> 2 Am Watr 5% 1	0.50 0.36 1.25	4.5 1.5 8.3	3 27 6	142 400 280	114 24 194	11 74 19%	11 24,2 194	-16 -16 -16
241 <sub>2</sub> 197 <sub>8</sub> Am What A91 <sub>4</sub> 323 <sub>8</sub> Amer Fin 513 <sub>8</sub> 371 <sub>8</sub> AmSmd3 713 <sub>8</sub> 551 <sub>8</sub> America	2 25	2.3 34 1	10 10 2 16 6	705 209 585	50 is	43 \ 49 \\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	21 % 43% 50% 66	+1 <sub>0</sub> +2 <sub>0</sub> +1 +1 <sub>2</sub>
58 <sup>1</sup> 2 46 <sup>3</sup> 3 Ameron int a 97 70 <sup>1</sup> 4 Ameron a 19,5 11 <sup>1</sup> 6 Ameron int 43,4 31,4 Amerin	2.80 0.34	29 1 18 27 1	13 16 4 11 17 1	29 124	95 18 <sup>5</sup> 6 41 <sup>1</sup> 2	83 <sup>1</sup> 2 18 <sup>1</sup> 2 40 <sup>1</sup> 4	16/2 41/4	4-14-14
73 50% Anathlo# 36% 31 Anatog 21 15% Angelica 48% 40 AnBoch v	0.80	52	30	790 u 179 794	36 <sup>3</sup> 4 18 <sup>3</sup> 8 43 <sup>1</sup> e	67,76 34,16 16 42,16	6912 · 3415 1816 4213	16
18 <sup>1</sup> / <sub>4</sub> 12 Anoter 29 <sup>1</sup> / <sub>8</sub> 48 <sup>3</sup> / <sub>8</sub> Aon Co 39 <sup>3</sup> / <sub>4</sub> 30 <sup>1</sup> / <sub>8</sub> Apache Cro 10 <sup>3</sup> / <sub>2</sub> 9 <sup>1</sup> / <sub>8</sub> Apac Man F a	0.28			066 804 347	16 /2 53 /2 38 10 /2	16 <sup>3</sup> 8 52.% 37	16 <sup>1</sup> 2 52 <sup>5</sup> 8 37 <sup>3</sup> 8	1
90 <sup>1</sup> 2 22 <sup>1</sup> 4 Anni Mag 55 <sup>5</sup> 9 38 <sup>1</sup> 2 Anni Piv A x 24 17 Anni Piv A x 56 <sup>1</sup> 2 40 <sup>2</sup> 9 Anni Piv X	0.12 0.20	:	25 4 20 31 5	803 553 u 61 <b>6</b>	35 % 56 % 21 Å	29;3	101g 341g 561 <sub>2</sub> 21 d 437g	19十二十二十二十二十二十二十二十二十二十二十二十二十二十二十二十二十二十二十二
61s 33s Armon 257s 21 Armon 2.1P 751s 811s Armster s 623s 611s Armster	210	8.2 2.4 1	16 2 14	435	54 254	5fa 25 <sup>1</sup> 8 72 <sup>5</sup> 8	254	+16
6 <sup>3</sup> 8 3 <sup>7</sup> 8 Artra Grp 35 <sup>1</sup> 2 21 Arvin Ind 34 <sup>1</sup> 4 24 <sup>2</sup> 8 Assects x	0.80	22 1 28 1	50 12	217 815 064	35 31,4	343 <sub>8</sub> 21,1	31 🚵	11g 14g 14g
13 <sup>3</sup> 4 11 <sup>7</sup> 6 Astant60R 53 <sup>7</sup> 6 39 <sup>1</sup> 4 Astand 13 <sup>5</sup> 8 11 <sup>3</sup> 6 Assa Pac F 4 <sup>1</sup> 4 3 <sup>1</sup> 6 Assat Incr	1.10 8 09 0.24	0.7 6.6	6	96	51 16 114 314	50% 11½ 3%	13 <sup>1</sup> g 51 (6 11 (6 3 <sup>5</sup> g	+4
66 <sup>1</sup> 4 33 <sup>1</sup> g AF5CA x 43 <sup>1</sup> 2 30 <sup>3</sup> c AF6T 362 <sup>1</sup> 5 300 Ab Hich 2 x 13 <sup>3</sup> g 8 <sup>1</sup> 4 Abrita Sos	1,32	0.8	12 1: 1319 10	232 20	4012 354 12 <sup>1</sup> 2	3913 354 121 <sub>2</sub>	60/6 40 <sup>1</sup> 4 354 12 <sup>1</sup> 2	- A - 10-4
19 16 ABNC Egy 78 2 62 2 ABRCH X 12 14 ABS: 26 4 22 2 ABNCSER	2.65		3 4	588 58 58	76.1	7516	17,2 76,3 264	23.1
10 <sup>5</sup> g 8 <sup>3</sup> q Austria Fd 29 <sub>1</sub> <sup>2</sup> g 39 <sup>3</sup> g AuDeta 29 <sup>3</sup> g 19 <sup>3</sup> g AutoZn 2 <sup>3</sup> g Arctex			614 5 6	326 570 561 163	913 647	616 4479 2814	912 46 29 4	10 10 14 14 14 14 14 14 14 14 14 14 14 14 14
16 <sup>1</sup> g 5 <sup>1</sup> g Ariell <sup>2</sup> 71 <sup>1</sup> g 55 <sup>1</sup> g Ariel <sup>2</sup> 78 56 <sup>5</sup> g Aron <sup>2</sup> t c	1.26	D.S 1	7		1512 1212 1814	151 <u>2</u> 7013 1 88% (	1912	18
12 <sup>3</sup> g O <sup>1</sup> g Aydin Corp 14 <sup>1</sup> g G <sup>1</sup> g Azter	0.50	••		174	718	67	7	1
32 A 27 BCE	1.24	3	0 2 1:	z0 :	26 2 E	5012 S	50\{} 293 <sub>8</sub>	+17a +18
11 95 <sub>8</sub> Barrico 21 165c Baker Fent 475 <sub>8</sub> 325 <sub>8</sub> BakerH <sub>2</sub> 7	0.37 0.45 0.48	2,0 1 1,8 1,1 2 1,8 2	1 ; 513	226 1 205 2 115 4	1014	10 204 : 114 :	10 20 <sup>2</sup> 4 42 <sub>7</sub> 6 30 <sup>5</sup> n	**
34 % 23 % Buildo 22 % 17% 88684	0.56 0.05 1 64 1 52	10 5 82 2	5 : 7 4	256 : 197 :	17.	3212 215:	33 21 % 27 /2	+16 +16 116
29 <sup>1</sup> 2 17,5 Bancosi V x 20 <sup>1</sup> 2 12 <sup>1</sup> 4 BCH 19 <sup>3</sup> 8 13 BCP ADR	0.42 0.30 8.34 1.00	16 165 181	7 ; 8 5	7 1	tire i	10%	10/2 103-	1 16 1 16 1 16 1 17
79 3 47 2 BankAra c 40 <sup>1</sup> 2 32 <sup>3</sup> 4 BankAry 20 <sup>1</sup> 3 137 <sub>5</sub> RTM ADR	1.22 1 0.50 1 0.06 1	171 261 13	718 9 7	985 193 4 505 1	71 (  6]2 (	51 (å ) 68 ( <sub>4</sub> ) 105 (	79 (* + 18 ia	· 유 - 유 - 유
62 79 Bkbas0.59 x	2.04 : 5.56 (	24 7 60		19 150 t	98 1517 1 192	96 13¾ (	98 5% + 82	13,
49 (45 45 45 18 18 18 18 18 18 18 18 18 18 18 18 18	4.00 : 2.29 : 0.72 :	99 1 25 1 29 2	2 8	46 S	36 ∃ 38 ∃	90 8 55 5	11 2 +	1
5712 39 BarnSA 2514 191 <sub>8</sub> BrckGd 131 <sub>8</sub> 91 <sub>2</sub> BarnySPG)	1.24 2 0.18 6	1.7 4 1	7 34 4 73 6 2	904 2 966 at	316	074 1 331 <sub>2</sub> 1 2714 2	26 i 54 i 22 i 13	16.4
7 <sup>2</sup> g 5 <sub>1</sub> g Batilit 47 <sup>2</sup> g 32 <sup>1</sup> g Bausch 60 <sup>1</sup> g 39 <sup>2</sup> g Baziler 37 <sup>2</sup> g 15 <sup>2</sup> g Barilinia	0.85 0 1.04 2 1.13 2	1.9	24 4 13 0 73 304	147 196 4 199 5 196 13	512 4 51 <sub>2</sub> 4	54 124 144 154 154 154	54, 1214 151 <sub>8</sub> -	15/2/2
29 <sup>5</sup> g 25 <sup>1</sup> g Bay St Gas s 20 <sup>7</sup> g 19 <sup>1</sup> g Bd Tr 1838 8 <sup>1</sup> 2 7 <sup>1</sup> 2 BEA Inc <b>\$</b>	1.50 7 0.72 0	.6.	1 1	14 2 77 U	9 L	29 2 20	36 817 94	4
	_							

Be our

guest.

in BRUSSELS

stay in touch -

with your complimentary copy of the

FINANCIAL TIMES No FT, no comment.

	*			FINANCIAL TIMES	THUR
	N	EW YORK STOCK	EXCHANGE PRIC	ES	
Chips Free. Gloom -16 +213 +213 +213 +16 *16	1997 Yea. PV Se Think Law Suck Div % E 100m High Law Suck Div % E 100m High Law Suck Sen 41% 271% Bearings 6 660 1.3 17 170 471% 47% 47% 47% 55% 42% Bearings 6 660 1.3 17 170 471% 47% 47% 47% 55% 42% Bearings 6 660 1.3 17 170 471% 47% 47% 47% 55% 42% Bearings 6 660 1.3 17 170 471% 47% 47% 47% 55% 42% Bearings 6 660 1.3 17 170 471% 47% 47% 47% 57% 55% 42% Bearings 6 660 1.3 17 170 471% 47% 47% 47% 47% 18% 18% 19% 10% 10% 10% 10% 10% 10% 10% 10% 10% 10	Top   Country   Top	1807   1808	Bigs 1:00-38:05	52% 44% 100% 60% 138 % 22% 16% 64% 42% 93, 7% 14% 93% 50% 43%
好好 医有性性性病 经经上的	71\(\frac{1}{2}\) 63\(\frac{1}{2}\) Beref 4.35 \( 4.30\) 6.1 \( 20\) 70\(\frac{1}{2}\) 70\(\frac{1}2\) 70\(\frac{1}{2}\)	27 <sup>1</sup> <sub>2</sub> 17 <sup>7</sup> <sub>2</sub> Comption M. 005 0.2 3830 27 26 <sup>2</sup> / <sub>2</sub> 27 + <sup>1</sup> / <sub>2</sub> <sup>1</sup> / <sub>2</sub> <sup>1</sup> / <sub>2</sub> <sup>1</sup> / <sub>2</sub> 100 2.0 22 8428 51 <sup>2</sup> / <sub>2</sub>	Solu Solu EntertisPl.   63 728 57½ 58½ 57½ 4.5½ 17½ 12½ 62mseso   15½ 8½ 62mseso   15½ 8½ 62mseso   15½ 8½ 62mseso   19 1362 12½ 12½ 12½ 12½ 12½ 12½ 13½ 11% 62mses   10 1106 24½ 23½ 23½ 23½ 23½ 11% 62mses   10 1106 24½ 23½ 23½ 23½ 23½ 23½ 23½ 23½ 23½ 23½ 23	177g 174s Koma Pd 0.80 0.4 1025 14  13  13  14  14  13  13  14  14  13  12  18  18  18  18  18  18  18  18  18	235 19 122 112 10% 10 242 18 94 74 32 164 29 184 25 74
** * * * * * * * * * * * * * * * * * *	4 1	42 27% Delias Sen x 0.14 0.4 23 378 39% 39% 39% 29% 48% 30% 20mm 1.00 23 14 1321 46% 45% 46% +12 55% 380 Demais Co. 0.10 0.2 23 209 55 34% 55% 46% +12 55% 380 Demais Co. 0.10 0.2 23 209 55 34% 55% +14 19% 111½ Demais Co. 0.10 1.8 29 938 119% 18% 18% 18% 18% 100 100 80 8 1061 10 9% 91% 18% 18% 18% 100 100 80 8 1061 10 9% 91% 18% 18% 18% 18% 18% 18% 18% 18% 18% 1	6% 6% General 7 1.17 29 20 4552 40% 30% 30% 40% 41% 45% 51% 51% 51% 51% 51% 51% 51% 51% 51% 5	20-7 25% Lander Gr 1.37 5.5 13 103 25% 25% 25% 4% 4% 34% 25% Lander Gr 1.37 5.5 13 103 25% 25% 25% 25% 25% 4% 5% 6% 6% 6% 6% 6% 6% 6% 6% 6% 6% 6% 6% 6%	25 19 25 19
	8-12 3 14 Bombor Co 12-12 0-12 Bombor Co 12-12 0-12 Bombor Co 12-12 0-12 Bombor Co 12-12 10-12 Bombor Co 12-12 10-12 Bombor Co 13-13 367 Bowor Co 13-13 367 Bowor Co 13-13 367 Bowor Co 13-13 367 Bowor Co 13-13 16-12 1	81g B1g Denselver 10.88 10 20 343 44% 44% 44% -1c 81g B1g Denselver 20.88 10 20 343 44% 44% 41% -1c 81g B1g Denselver 20.88 10 20 344 45% 44% 41% -1c 81g B1g B1g B1g B1g B1g B1g B1g B1g B1g B	544 41 2 Guichiene 024 14 12 2997 48-12 48-12 48-12 - 74 64 51 GWith no 6.00 0.5 0 11 63 82 12 63 43-13 38-14 27 3 Gross MP 2 172 8.2 12 33 29 28-12 28-12 - 74 47-12 28-12 Gross MP 2 172 8.2 12 33 29 28-12 28-12 - 74 47-12 28-12 Growth no 1.00 1.8 19 28-19 68-12 48-12 48-12 11-12 68-12 11-12 68-12 11-12 68-12 11-12 1	4.5 35 Librotor 60 22 4.6 4.3 44 +1.4 1.4 1.4 1.4 1.4 1.4 1.4 1.4 1.4 1.4	8 2 74 (35 2 55 2 55 2 55 2 55 2 55 2 55 2 55
からはない 一年日 こうちゅうちゅうちゅうちょう	20½ 20¾ 80mmi 1.46 49 11 366 30 29¼ 30 +1 20¼ 14½ 80mmi 1.00 5.01 4 250 18¼ 16¾ 16¾ 16¾ -1 55¼ 42½ 80mmi 1.00 5.01 4 250 18¼ 16¾ 16¾ 16¾ -1 52¼ 42½ 80mmi 1.00 5.3 19 20 46¾ 46¾ 46¾ 1½ 55½ 55½ 80mmi 1.00 5.3 19 20 46¾ 45¾ 46¾ 1½ 55½ 55½ 80mmi 1.00 5.3 19 20 46¾ 45¾ 46¾ 1½ 55½ 55½ 80mmi 1.00 5.3 19 20 46¾ 45¾ 46¾ 1½ 55½ 55½ 80mmi 1.00 5.0 16 15 3499 31½ 30¾ 35½ 35½ 1½ 55½ 55½ 80mmi 1.00 5.0 16 15 3499 31½ 30¾ 31¼ 14 1½ 55½ 55½ 80mmi 1.00 5.0 16 15 3499 31½ 30¾ 31¼ 14 1½ 55½ 55½ 80mmi 1.00 5.0 16 16 3199 31¾ 19½ 1½ 1½ 55½ 55½ 80mmi 1.00 5.0 16 3199 31¾ 19½ 10½ 1½ 55½ 70½ 80mmi 1.00 1.3 16 3199 30½ 91½ 30½ 11 55½ 11½ 80mmi 1.00 5.0 1.1 17 9401 50% 40½ 30½ 14 16 55½ 11½ 80mmi 1.00 5.0 1.1 17 9401 50% 40½ 30½ 14 16 55½ 11½ 80mmi 1.00 5.0 1.1 17 9401 50% 40½ 30½ 14 16 55½ 11½ 80mmi 1.00 5.0 1.1 17 9401 50% 40½ 30½ 14 16 55½ 11½ 80mmi 1.00 5.0 1.1 17 9401 50% 40½ 30½ 14 16 55½ 11½ 80mmi 1.00 5.0 1.1 17 9401 50% 40½ 30½ 14 16 55½ 11½ 80mmi 1.00 5.0 1.1 17 9401 50% 40½ 30½ 14 16 55½ 11½ 80mmi 1.00 5.0 1.1 17 9401 50% 40½ 30½ 14 16 55½ 11½ 80mmi 1.00 5.0 1.0 17 12 12 48 14½ 13½ 14 14 16	25-k 19-k Deron- 85-k 66-k Denny x 053 07 29 115 186 22-k 27-k 20-k - 1-k 18-k 19-k 19-k 18-k 18-k 18-k 18-k 18-k 18-k 18-k 18	26-3, 16-5, MX Tel ADR	27½ 15 Lingeleuw F 6.85 2.11 7 302 2.32 2.32 2.32 3.12 3.15 1.5 1.5 1.5 1.5 1.5 1.5 1.5 1.5 1.5	16 2 12 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
大大大大大大大大大大大大大大大大大大大大大大大大大大大大大大大大大大大大大大	36 29 32 2 2 2 2 2 2 4 2 2 4 4 8 2 4 5 4 6 4 4 5 4 4 5 4 5 4 5 4 5 4 6 4 6	37% 28% UTE Engry	56 <sup>1</sup> h 32 <sup>1</sup> q Herman Into x 0.20 0.5 14 2828 42 <sup>1</sup> g 41 <sup>1</sup> h 42 <sup>1</sup> q 41 <sup>1</sup> q 42 <sup>1</sup> q 41 <sup>1</sup>	32°q 27°2 MCM\$ 4 0.87 3.1 17 1995 31°C 31 31°q +3°q 10°q 7°C MCM\$ 4 0.87 3.1 17 1995 31°C 31 31°q +3°q 10°q 7°C MCM\$ 2 1.2 0 42 10°q 10°q 10°q 4°Q 4°C 5°C 2 1 MCM 855 1.15 4.8 14 311 24°C 25°C 24°C 4°C 4°C 5°C 7.4 10 7°S 6°C 4°C 4°C 4°C 4°C 4°C 4°C 4°C 4°C 4°C 4	274 214 45 174 274 184 185 185 185 185 185 185 185 185 185 185
操口中的工作的情况的 心理好	29½ 21½ Cabott 08 of 01 of 07 23 823 21½ 27½ 27½ 27½ 4½ 27½ 4½ 27½ 21½ 15½ Cabot 08 of 01 of 07 23 823 21½ 21½ 21½ 21½ 21½ 21½ 21½ 21½ 21½ 21½	- E - 82 4/6 4 4 4 4 4 4 19 12 18 18 18 18 18 18 18 18 18 18 18 18 18	4712 35 <sup>1</sup> 4 Heinz   1.16 2.7 53 7448 4314 43 43 <sup>1</sup> 2 4 <sup>1</sup> 4 6614 410 Heinzha   0.52 68 20 986 534 6514 6514 454 5412 4514 6414 100 1.9 15 1422 52 <sup>1</sup> 6 514 454 5412 4514 6414 100 1.9 15 1422 52 <sup>1</sup> 6 514 52 <sup>1</sup> 6 514 454 6414 100 1.9 15 1422 52 <sup>1</sup> 6 514 52 <sup>1</sup> 7 614 144 140 15 65 0.8 2325 55 <sup>1</sup> 7 34 <sup>1</sup> 2 55 <sup>1</sup> 2 418 6614 100 10 10 10 10 10 10 10 10 10 10 10 10	34½ 28½ Mapon x 0.60 2.0 11 2005 20½ 20½ 20½ 20½ 6½ 5¾ Matres 0.20 3.6 10 15 8¾ 8½ 8½ 8½ 25½ 17½ 12½ Matres Cp 40 65 140 141 144½ 4½ 1½ 17½ 45% Matres Cp 40 65 140 141 144½ 4½ 1½ 17½ 45% Matres Cp 40 65 140 141 144½ 4½ 1½ 1½ 1½ 1½ 1½ 1½ 1½ 1½ 1½ 1½ 1½ 1½ 1½	84 30 f 492 77 g f 94 65 p 154 15 p 134 65 p 265 17 g f 27 g 15 p 124 85 p 27 g 27 g p 94 57 p 131 124 p 132 124 p 132 124 p 132 124 p 133 124 p 134 57 p
计二十二十二十二十二十二十二十二十二十二十二十二十二十二十二十二十二十二十二十	65 % 13 Cardwid 1.00 0.2 37 7125 162 % 59 % 67 % +27 % 44 % 77 Cardwid 1.50 1.3 20 300 462 % 42 % 42 % 2 % 4 % 4 % 4 % 4 % 4 % 4	26\(\frac{1}{2}\) 10\(\frac{1}{2}\) Edyment 1.00 4.0 15 8488 25\(\frac{1}{2}\) 25\(\frac{1}\) 25\(\frac{1}{2}\) 25\(\fra	90,5 32,4 Headelp 0.20 0.4 3621613 150% 49,6 51% +1,4 16% 12,5 Headelp 0.20 1.5 45 3050 13% 13% 13% 13% 13% 13% 13% 13% 13% 13%	56% 45% Memory 1.20 2.3 17 5100 53½ 52½ 53½ 52% 19% Memory 1.52 1.2 15 1243 121½ 110½ 12½ 42½ 4.4 4.5% 23% Memory 1.52 1.2 15 1243 121½ 110½ 12½ 42½ 4.½ 53½ 23% Memory 1.52 1.2 15 1243 121½ 110½ 12½ 42½ 4.½ 53½ 23% Memory 1.52 1.2 15 1243 121½ 110½ 12½ 4.2½ 4.½ 53½ 23% Memory 1.52 1.2 15 1243 121½ 110½ 12½ 4.½ 4.½ 53½ 23% Memory 1.52 1.5 12% 110½ 110½ 110½ 110½ 110½ 110½ 110½ 110	36½ 25½ P 80 45½ P 22½ 13½ P 16¼ 19½ P 30 25% P 16½ 12¼ P 16½ 36¼ P 46¼ 36¼ P 46¼ 35½ P 50¼ 42½ P 50¼ 42½ P 50¼ 42½ P 13¼ 9½ P 13¼ 9½ P
一年 一年 日本日本日本日本日本日本日本日本日本日本日本日本日本日本日本日本日本日本日本	111½ 65% Centies  10.20 6.8 14 2299 54% 63% 64% 41%  22.4 6.4 11 85 33½ 33½ 33½ 4½  22.4 24% Centr Hour  13.2 10 Centr Hour  13.3 10 Centr Hour  13.4 11½ 11½ 12½ 12½ 12½  13.4 10 Centr Hour  13.4 10 Centr Hour  13.5 11 2 603 60½ 61% 67½ 11½  26 10 CentSW 1  1.74 8.7 11 2603 60½ 61% 67½ 11½  27.4 20½ Centry H  1.74 8.7 11 2603 60½ 61% 67½ 11½  28.3 13% Centry H  1.74 8.7 11 2603 60½ 61% 47½ 11½  28.3 13% Centry H  1.74 8.7 11 2603 77% 37½ 37½ 47½  28.3 13% Centry H  1.74 8.7 11 2603 20½ 62 52 52 51½  28.3 13% Centry H  1.74 8.7 11 2603 20½ 61% 47½ 11½  28.3 13% Centry H  1.75 13% 13% 12% 12% 12% 12%  28.3 13% Centry H  1.74 8.7 11 2603 20½ 61% 41½  1.75 15% 15% 15% 15%  28.3 11½ 61% 61% 11½ 11½ 11½ 11½ 11½  28.3 11½ 61% 61% 11½ 11½ 11½ 11½ 11½  28.3 11½ 61% 61% 61% 11½ 11½ 11½ 11½  28.3 11½ 61% 61% 61% 61% 61% 61% 61% 61% 61% 61%	27 17½ Error 046 0.12 0.5 31 3285 23½ 22½ 23 +½ 85½ 65½ 60½ 60½ 61½ +½ 20½ 81% 60% 60½ 61½ +½ 20½ 81% 60% 60½ 61½ +½ 20½ 81% 60% 60½ 61½ +½ 20½ 81% 60% 60% 60½ 61½ +½ 20½ 81% 60% 60% 60% 60% 60% 60% 60% 60% 60% 60	15/4 12/2 butly Corp	48% 33% Medima Cry 0.60 1.2 13 224 1483 47% 48% 41% 13% 15% 34% Medima Cry 0.60 1.2 13 224 1483 47% 48% 41% 14% 15% 16% 16% 17% 45% Medica Cry 0.44 0.0 139 3% 9% 9% 9% 17% 45% Medica 1.22 2.5 18 801 80% 87% 89% 41% 18% 18% 18% 18% 18% 18% 18% 18% 18% 1	2816 1738 Pt 1 38 Pt 1554 10358 Pt 11176 6258 Pt 4038 2844 Pt 5338 3758 Pt 6514 4638 Pt
+18 +18 +18 +18 +18 +18 +18 +18 +18 +18	244 1-7 Crause 6 244 94 Crocksy 259 925 1445 144 144 145 2-5 274 31 Crameta 206 5.7 12 60 354 251 355 355 254 251 355 256 251	52 <sup>1</sup> 2 393 <sub>8</sub> H.andA 034 0.7 32 1181 47 <sup>1</sup> 12 47 <sup>1</sup> 16 47 <sup>1</sup> 19 4 <sup>1</sup> 19 39 <sup>1</sup> 2 23 <sup>2</sup> 18 Esterine 14 252 36 34 <sup>1</sup> 13 35 41 <sup>1</sup> 18 10 <sup>1</sup> 2 10 <sup>1</sup> 18 14 <sup>1</sup> 18 Esterine 0.50 5.6 11 1326 9 6 <sup>1</sup> 18 6 <sup>1</sup> 18 10 <sup>1</sup> 18 118 118 118 118 118 118 118 118 118	22월 28년 kisho Pers 1,86 5.7 14 195 23년 25년 25년 25년 4년 1월 195 23년 23년 4년 1월 195 23년 23년 24년 1월 195 23년 23년 23년 4년 1월 195 23년	12 & Michaelle v 0.88 0.8 20 34 10 912 913 17 18 17 18 18 18 18 18 18 18 18 18 18 18 18 18	39% 25% Pi 64 59% Pi 20% 25% Pi 20% 25% Pi 20% 25% Pi 20% 25% Pi 20% 25% Pi 20% 25% Pi 10% 15% Pi 11% 10% Pi 11% 10% Pi 11% 10% Pi 15% 75% Pi 55% 34% 00 55% 34% 00 55% 34% 00
116 -1-12 116 -1-15 116 116 116 116 116 116 116 116 116 1	9-3; 8-3; Cipton H1	47°s 36°s Pendaga x 0.44 10 171.4860 40 44\forall 46 4\forall 59°s 94 Farminar 18 67 9 84 8°s 4\forall 47 11\forall 61 Farminar 18 299 7\forall 7\forall 81 8°s 4\forall 81 8\forall 81 81 81 81 81 81 81 81 81 81 81 81 81	374 285 mps	23\frac{1}{2}\$ 21 Monteus Po 1:00 6:19 10 6:22 23\frac{1}{2}\$ 23\f	16 <sup>1</sup> 4 13 <sup>1</sup> 5 00 31 <sup>1</sup> 6 23 <sup>1</sup> 5 00 43 34 <sup>1</sup> 6 00 35 <sup>1</sup> 6 18 <sup>1</sup> 6 04 35 <sup>1</sup> 6 18 <sup>1</sup> 6 04 19 <sup>1</sup> 4 71 <sup>1</sup> 6 70 19 <sup>1</sup> 5 71 <sup>1</sup> 6 75 80 100 60 <sup>1</sup> 7 87 29 <sup>1</sup> 4 18 <sup>1</sup> 4 18 <sup>1</sup> 4 48 <sup>2</sup> 4 35 <sup>1</sup> 5 18 <sup>2</sup> 6
-14	37   18½ C/CE	29 204 First Bernd	87 88% 16% 2 1.00 18 7515 59% 54% 55% 41% 68% 31% 16% 2 1.1 27 1359 48% 40 48% 4% 46% 46% 46% 33% 16% 15 238 48% 40% 62% 41% 4	19% 11½ MTR 6p 0.22 1.1 14 477 (2012 18%, 2013 +16.  - M -  68½ 55½ NCH Cop 1.20 1.9 14 75 55½ 84¼ 64½ -16.  45½ 33% MC Re 0.30 0.6 18 153 47½ 47½ 47½ 41½ 41½ 33% MC Re 0.30 0.6 18 153 47½ 47½ 47½ 41½ 41½ 34% McCoD x 1.00 2.5 18 1183 36½ 33 36½ 42½ 41½ 13 10 Manhas 0.5 10½ 10½ 10½ 10½ 1½ 13 10 Manhas 0.5 10½ 10½ 10½ 10½ 1½ 13 14 Manhas 0.5 10½ 10½ 10½ 10½ 1½ 13 14 Manhas 1.32 2.8 1520012 00½ 64½ 65½ +½ 24¼ 19% Nyadolisin x 1.56 6.8 18 205 23½ 22½ 20 7½ 1½ 4½ 13% Nyadolisin x 1.56 6.8 18 205 23½ 22½ 20½ 7½ 1½ 4½	58½ 41½ Ray 41 22½ Ray 52½ 36½ Ray 13½ 6½ Ray 13½ 6½ Ray 13½ 7½ Ray 44½ 37½ Ray 13½ 7½ Ray 15½ 7½ Ray 15½ 15½ Ray 15½ 15½ Ray 15½ 15½ Ray 30½ 14½ Ray 79½ 80½ Ray 99 90 Ray
	45 20½ Cognat x 0.12 0.2 25 3112 42½ 42¼ 42½ 55 10½ 11½ Colemen 70½ 45 Cognat x 0.12 0.2 25 3112 42½ 42¼ 42½ 55 10½ 11½ 65 Cogna x 0.54 8.0 275 10¾ 10¾ 10¾ 10¾ 1¼ 11¼ 65 Cogna x 0.54 8.0 275 10¾ 10¾ 10¾ 1½ 1¼ 1½ 1½ 1½ 1½ 1½ 1½ 1½ 1½ 1½ 1½ 1½ 1½ 1½	76   68   24   25   25   25   25   25   25   25	33\2 274, iii ii 0.50 19 15 1946 31\2 31\2 31\2 31\2 31\2 31\2 4\6	81 422 MOZY 1.79 2.91 10 2973 576 574 576 474 174 147 147 147 147 147 147 147 147	37 37 18 18 35% 27 18 17 28 18 17 28 18 17 28 18 17 28 18 17 28 18 18 18 18 18 18 18 18 18 18 18 18 18
	2892 24% Comments 2.00 2.00 7.8 3 2100 25, 25, 25, 25, 1614 + 6, 1619 184 184 200 185, 1892 1814 + 6, 1619 184 284 284 284 284 284 284 284 284 284 2	33 <sup>1</sup> <sub>2</sub> 25 <sup>1</sup> <sub>2</sub> Frohlank	65½ 45½ Justician (950 1.5 252000) 59½ 50½ 50½ 4½ 4½ 10½ Justician (10 x 8.88 3.6 35 918 24½ 24½ 24½ 24½ 4½ 24½ 4½ 24½ 4½ 24½ 24	30-g 37-c Hengel 2.56 6.7 1.2 583 629-g 30½ 30% 30% +-1 15% 1-2 583 629-g 30½ 30% 30% 1-1 15% 1-2 583 629-g 30½ 30% 30% 30% 30% 30% 30% 30% 30% 30% 30%	3014 45 115 107 107 107 107 107 107 107 107 107 107
	22\(\frac{1}{2}\) \( \frac{77\chince{1}}{27\chince{1}\) \( \frac{1}{2}\) \	6% 3% GRC and 4 548 5½ 572 576 +2 40% 41% GRC at 1.00 4.0 15 7259 46% 4576 46% 4576 46% 12 20% 10% GREET 1.25 6.3 2 10% 10% 10% 10% 10% 9% GREEN 1 1.00 9.7 845 110% 10% 10% 27% 24% GREET 1.25 1.25 6.3 4 10% 10% 10% 4551 25% 25% 25% 4 10% 10% 17% 25% GREET 1.24 1.4 14 19 3027 10% 10 89% 36% 14 10% 27% 10% GREET 0.30 0.7 26 800 45% 42% 45% 11% 45 26 GREET 0.30 0.7 26 800 45% 42% 45% 11% 45 26 GREET 0.30 0.7 26 800 45% 45% 45% 11% 45 26 GREET 0.30 0.7 26 800 45% 45% 45% 11% 45 26 GREET 0.30 0.7 26 800 45% 45% 45% 11% 45 26 GREET 0.30 0.7 26 800 45% 45% 45% 45% 11% 46 27 28 28 28 28 28 28 28 28 28 28 28 28 28	29½ 27½ KanCyP 1.62 5.6 29 188 29½ 29½ 29½ 16½ 17½ 15½ KanCyP 1.62 5.6 29 188 29½ 29½ 29½ 16½ 17½ 15½ KanCyP 4.00 1.00 16 17 07 16 17 18½ 18½ 18½ 18½ 17½ 17½ 1.81½ 17 17 17 17 17 17 17 17 17 17 17 17 17	14   14   15   16   18   18   18   18   18   18   18	15-1, 11-1, 500 33, 16-1, 544 19-1, 14-2, 534 55-1, 72-1, 534 93, 65-1, 93-1, 421, 28-1, 534 421, 28-1, 53-2, 54-2 821, 57-2, 54-2 56-1, 10-2, 54-2

	-E-	I
	6% 3% ECC Ind 82 4% 4 4 4 2시2 18월 ESSG 를 8.50 2.8 40 619 21% 31 31% 국 기 1월 EA Inds 8.50 2.8 40 619 61% 6일 6일 년	1
	30); 214; Est Duty 1 160 07 11 84 10; 2 10; 234; +-7; 185; 167; Est Duty 1 160 07 11 84 10; 2 18; 2 18; 2 18; 4 18	
	64 <sup>1</sup> 2 50 <sup>3</sup> 6 EmmCh <sup>2</sup> 1.76 2.9 14 927 58 <sup>7</sup> 6 59 <sup>1</sup> 4 59 <sup>7</sup> 6 + <sup>1</sup> 4 94 <sup>3</sup> 6 61 <sup>1</sup> 6 Ekokak 1.76 2.5 2725207 67 <sup>5</sup> 8 63 <sup>3</sup> 8 67 <sup>5</sup> 8 + <sup>4</sup> 18	1
	37½ 29½ Echan 0.90 2.4 1611729 37½ 35¼ 37½ +1½ 49½ 35¼ Ecolah 0.84 1.4 22 1722 44½ 43½ 44½ -½	
	23g & Edison Bro 20 13g 13g 13g 13g 25& 25& 25& 25& 25& 25& 25& 25& 25& 25&	
ı	63g 37g Boot Group 72 1613 614 63g	1
I	49 <sup>1</sup> 2 32 EDS 4 0.60 1.5 25 8059 39 <sup>1</sup> 6 39 <sup>1</sup> 6 39 <sup>1</sup> 6 41 <sup>1</sup> 8 57 <sup>1</sup> 76 44 <sup>1</sup> 8 EMAQUAL 1.03 1.8 23 1714 157 <sup>1</sup> 76 57 <sup>1</sup> 4 57 <sup>1</sup> 76 +11 <sup>1</sup> 8	1
	9½ 6 Electric 46 60 8½ 8¾ 8½ ½ 64¼ 31¼ EMC 2911489 ±54½ 53% 54 +3% 11½ 7% EmpGeom 2 0.02 0.2 358 10% 10% 10% 10% +1%	1
Ì	80% 45 Emsale x 1.08 19 27 8474 98.2. 56.5. 564	
l	19% 13% EmpresiCA 0.08 0.4 23 1665 u19% 18% 18% 18% +2 27% 15 Entess ADR 0.28 1.3 17 550 20% 20% 20% 20%	١,
Į	44 29% EGIPADR 0.90 2.2 9 133 39% 33% 39% -%	ľ
I	23% 18% English 045 1.8 18 4561 20% 19% 20% +1% 11% 8/2 English Blash 0.82 5.5 15 1446 11% 10% 11% +1% +1% 24% 21% English 0.82 5.6 8.4 12 4193 24% 23% 24% +2	1
l	45 <sup>1</sup> g 35 Enruri 0.58 2.4 5445 37 38 <sup>2</sup> g 36 <sup>2</sup> g + <sup>1</sup> g 27 17 <sup>1</sup> g Enrun 0.66 0.12 0.5 31 3295 23 <sup>2</sup> g 22 <sup>1</sup> l 23 + <sup>1</sup> g	
	69 <sup>1</sup> g 40 <sup>1</sup> g Bissou Int 29 2428 61 <sup>2</sup> g 60 <sup>2</sup> g 61 <sup>2</sup> g -1 <sup>2</sup> g 22 <sup>3</sup> g Birbyriệs 1.60 7.2 10 3807 25 24 <sup>1</sup> g 31 <sup>2</sup> g 11	
	33 <sup>1</sup> 2 73 <sup>1</sup> 9 Equilibr 835 1.2 2010622 23 <sup>1</sup> 6 23 <sup>1</sup> 6 23 <sup>1</sup> 7 23 <sup>1</sup> 8 1000 0.20 0.5 23 6579 40 36 <sup>1</sup> 8 36 <sup>1</sup> 7 3	1
	31/2 25 <sup>1</sup> /4 EpOfficat <sup>2</sup> 750 38 <sup>3</sup> /4, 20 <sup>3</sup> /4, 30 <sup>3</sup> /6 1 <sup>3</sup> /4, 52 <sup>1</sup> /2 39 <sup>3</sup> /4 ELaudA 034 0.7 32 1181 47 <sup>1</sup> /2 47 <sup>1</sup> /6 47 <sup>2</sup> /6 4 <sup>3</sup> /7 4 <sup>3</sup> /4	;
	38 <sup>1</sup> 2 23 <sup>7</sup> 8 Esterine 14 252 36 34 k 36 +1 k 10 k 8 k 10 k 1 k 1252 36 34 k 36 +1 k 10 k	1
l	16 <sup>1</sup> 4 15 <sup>1</sup> 4 Expetatr 1.04 8.8 8 15 <sup>7</sup> 6 15 <sup>7</sup> 6 15 <sup>7</sup> 7 15 <sup>7</sup> 8 56 <sup>1</sup> 4 36 <sup>7</sup> 8 Expetat 1.28 2.3 9 738 56 <sup>1</sup> 2 55 <sup>1</sup> 4 56 <sup>1</sup> 2 +1 <sup>7</sup> 6 56 <sup>1</sup> 4 48 <sup>7</sup> 6 Expen x 1.54 2.6 1030727 63 <sup>7</sup> 6 67 <sup>1</sup> 5 63 <sup>1</sup> 8 +1 <sup>1</sup> 8	3
		֓֞֝֟֟֜֟֝֟֓֓֓֓֓֓֟֟֓֓֓֓֟֟֓֓֓֓֓֓֟֟֓֓֓֓֓֟֟֓֓֓֓֓֡֡֡֓֡֓֡֓֡֓֡֓֡֡֡֡֡֡
	- F - 11 <sup>1</sup> 2 8 <sup>1</sup> / <sub>2</sub> Follower 72 10 9 <sup>1</sup> / <sub>2</sub> 69 <sup>1</sup> / <sub>2</sub> 0 <sup>3</sup> / <sub>2</sub> 14	1
	15½ 14 FT Dearbn 1.68 7.8 40 u15½ 15½ 15½ 15½ 27å 14½ Fabr Chima 10 241 23 23½ 25 +1¾ 47½ 36½ Familian x 0.84 1.0 1714860 40 44½ 46 +1½	3
	95g 93g Farmine! 18 67 9 83g 87g -1g 111g 64g Farmine: 12 299 71g 71g 71g 71g 17g 71g 17g 17g 17g 17g	3
	28 <sup>1</sup> c 24 <sup>2</sup> c Fed Rity 1.68 6.7 27 654 25 <sup>2</sup> c 25 <sup>2</sup>	8 2
	3912 21 Feding 4 0 48 1.3 1877 3512 3412 3512 +12 2712 2514 Federal Sq c 0.67 2.8 18 681 26 7512 2514 -12	1
	384 <sub>1</sub> 28 Perro Corp x 0.82 19 427 384 25 384 44 1 283 <sub>2</sub> 183 <sub>3</sub> RebiCan 1758 u293 <sub>8</sub> 2842 28 -3 3	1
	555 385 FARRA 1.25 2.4 18 1350 52 515 52 45 1	5
	18 10 FSIBRAM 23 11 15% 15% 15% 25% 25% 25% 25% 25% 25% 25% 25%	4
	46 <sup>1</sup> g 31 <sup>1</sup> g FetDat 0.80 0.2 3911470 41 <sup>1</sup> g 40 <sup>7</sup> g 41 <sup>3</sup> g - 1/2 20 <sup>3</sup> g 13 <sup>7</sup> g Prot Foi 0.21 1.1 224 19 <sup>7g</sup> 19 <sup>1</sup> g 19 <sup>7g</sup> + <sup>1</sup> 4	2 3
	163, 113, Fat Philip 1.50 12.7 238 123, 1113 1113 507, 363, Fat Union 1.28 2.7 1510756 45 467, 473, +13	1 2
1		2
	32.4c 27.4c PMP5c 2.10 636 241 2020 23 21.6c 21.5c ++4c 1	10
	3248 424 MURE U./U 1.4 23 11/ 31/2 3044 3044 72 1	19
	89 % 59 % FMC Co 14 1654 85 53 % 84 % 4 4 21 % 18 2 Pater 663 28 1 2 25 25 %	3
	45 274 Forthern 19 7375 4114 4038 4138 -12 1	
	38 30 <sup>1</sup> 2 Forsion 6 0.86 2.3 15 3394 34 <sup>1</sup> 6 33 <sup>1</sup> 6 34 <sup>1</sup> 6 +1 40 <sup>1</sup> 6 35 <sup>1</sup> 6 Forsion 2 0.84 1.8 37 1639 48 <sup>1</sup> 6 44 <sup>1</sup> 6 46 <sup>1</sup> 6 +1 46 48 <sup>1</sup> 6 42 <sup>1</sup> 6 FPL 192 4.1 13 3107 47 <sup>2</sup> 6 46 <sup>1</sup> 6 47 <sup>1</sup> 6 1 <sub>8</sub>	12
	11 <sup>1</sup> g 10 <sup>1</sup> g Främst Gro 0.08 0.7 193 11 1 1012 11 16 + 14 1 9 <sup>1</sup> g 0 <sup>1</sup> g Frankt Pr 0.54 8.0 202 9 <sup>1</sup> g 8 <sup>1</sup> g 9	10
	57(\$ 32% Frankleyer 24 426 54% 53)\$ 33(\$ -\cdot 4 6 54 54 54)\$ 62 34 Frituith 0.10 18 23 2 0% 64 64	2
	64g 3 <sup>2</sup> g Frithmill 0.10 16 22 20 u6 <sup>2</sup> g 5 <sup>2</sup> g 6 <sup>3</sup> g 135 <sup>2</sup> g 26, <sup>2</sup> g Fredrick 0.36 1.1 46 1917 33 <sup>2</sup> g 32 <sup>2</sup> g 23 <sup>2</sup> g + 3 <sup>2</sup> g 13 <sup>2</sup> g 25 <sup>2</sup> g FridC64 0.90 3.3 21 1096 22 <sup>2</sup> g 22 <sup>2</sup> g 22 <sup>2</sup> g 27 <sup>2</sup> g - 2 <sup>2</sup> g	12 48 页
	347 <sub>4</sub> 251 <sub>2</sub> PHICES 0.90 3.1 22 1124 291 <sub>4</sub> 28 291 <sub>6</sub> 4 421 <sub>5</sub> 221 <sub>6</sub> Francis 0.60 1.5 11 604 381 <sub>6</sub> 371 <sub>6</sub> 381 <sub>6</sub> + 1 <sub>4</sub> 231 <sub>6</sub> 151 <sub>6</sub> Poortr 0.87 4.1 31 3508 271 <sub>6</sub> 282 <sub>6</sub> 271 <sub>6</sub> + 1 <sub>6</sub>	29
	110 <sup>1</sup> 2 04 Fd4mEat 0.58 0.8 10 104 103 104 +1	
	25 16 % Fugue Ent 19 33 21 20 % 21 + % 3 31 21 20 % 21 + % 3 31 21 20 % 21 % 30 % 31 % + % 3 31 21 20 % 31 % + % 3 31 21 20 % 31 % + % 3 31 21 20 % 31 % 4 2 % 31 % 31 % 4 2 % 31 % 31 % 4 2 % 31 % 31 % 31 % 31 % 31 % 31 % 31 %	37

		4 4
	565x 385x HrcMann& 0.54 1.0 16 422 543x 54 5434	-
	23 <sup>1</sup> 2 10 <sup>1</sup> 8 HzzCMS Hc 1314 20 <sup>1</sup> 2 20 <sup>1</sup> 2 20 <sup>1</sup> 3 2	4
	24 g 20 Horsham 0.26 1 1 1955 23 g 22 2 2 2 4 21 4 15 h Hshlater 2563 20 6 19 18 20 6 4 14 18 B 8 4 Hshlater 2563 20 6 19 18 20 6 14 18 B 8 4 Hshlater 2 29 57 13 4 13 6 13 1 4 1	4
١	14% B3; HspManSv 29 57 133; 1350 131; + 37 26; Houghton Mrs 0.50 1.4 25 344 361; 363a 365a 4	Š
	138 785; Hshd 1   1.58 1.5 29 2203 1207, 1177, 1284, +2	13
	20 12 <sup>3</sup> g Howell x 0 16 0.9 43 45 18 <sup>7</sup> g 18 <sup>3</sup> g 16 <sup>7</sup> g 49 40 <sup>3</sup> g Hubbis 1.16 2.5 21 517 47 <sup>3</sup> g 46 <sup>7</sup>	16
i	21 4 14 Hutson Fds 0.08 0.5 47 1758 1538 1534 1534 -	
	23 20% Haghes Sup 030 1.2 12 617 29% 26 29 -	4
	25 17 <sup>1</sup> 2 Homeson 1335 24 <sup>2</sup> 4 24 <sup>1</sup> 2 24 <sup>2</sup> 4 24 <sup>2</sup> 4 24 <sup>2</sup> 4 24 <sup>2</sup> 4 25 <sup>2</sup> 4 16 <sup>2</sup> 4 Hometodig C 0.36 1.8 51 32 20 <sup>2</sup> 12 20 <sup>2</sup> 12 20 <sup>2</sup> 12 4 20 <sup>2</sup> 12 4 20 <sup>2</sup> 12 3 <sup>2</sup> 12 4 20 <sup>2</sup> 12 4 20 <sup>2</sup> 12 3 <sup>2</sup> 12 4 20 <sup>2</sup> 12 4 20 <sup>2</sup> 12 3 <sup>2</sup> 12 4 20 <sup>2</sup> 12 4 20 <sup>2</sup> 12 3 <sup>2</sup> 12 4 20 <sup>2</sup> 1	1
	67 <sub>1</sub> 43 <sub>6</sub> huntingdox 6 1889 43 <sub>4</sub> 4332 322 10 <sub>16</sub> 9 Hyperton x 0.64 0.7 399 922 95 <sub>8</sub> 95 <sub>8</sub>	16
ì		
•	-1-	
	28 22 69 inc 0.18 0.4 17 1310 22% 22% 27% - 134 9½ 19 moits 2.00 18.8 2 164 10½ 195 195 195 1	ģ
	13 10% HT Proofe x 0.20 7.3 17 340 12½ 12¼ 12¼ -	Ę
	27g 13g 15F Ka 29 36 23g 27g 23g 375 28lb Matan Peter 8 1.86 5.7 14 595 23lb 23lb 23lb 4b	1
	35% 23% 160% 0 49 1A 18 110 35% 33% 34% +1;	ē
	TU 1 70 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	•
	373a 28 ■ Pr4 2 2 18 D.5 12 32 lo 31 lc 32 lo	4
۱	375 29 2 Winnel 0.92 2.6 15 779 35 4 34 2 35 4 4 45 42 12 20 44 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4	2
J	27% 20% Blood 1.24 5.4 9 1422 23% 22% 23%	
١	77 20 g Blook 1.24 5.4 9 1422 23 g 27 9 23 kg 1 1 g 45 LD 7 218 3.2 25 3437 67 kg 65 kg 67	4
١	31 % 21 % treaton 38 1027 26 1 25 6 26 2 4 4 2 2 3 3 4 3 4 3 4 3 5 4 3 4 4 5 6 6 6 6 9 47 6 7 6 7 6 7 6 7 6 7 6 7 6 7 6 7 6 7	
١	31 4 20 4 trupert Bc 21 703 u32 5 31 4 32 6 + 184 155 MA layer 1.24 7.4 62 164 166 164 +	2
J	371g 28% topo z 0.40 1.4 4442 28% 028% 28% + 14% 10% indiaGrif 0.80 0.6 128 12% 12% 12% 12%	2
١	7 24 troped 5 649 u7 67 61 61 61 7 1 1 20 4 troped 6 1 21 700 st25 3 1 1 2 2 2 4 5 1 1 1 2 1 4 1 1 2 1 4 1 2 1 4 1 2 1 4 1 2 1 4 1 2 1 4 1 2 1 4 1 2 1 4 1 2 1 4 1 2 1 4 1 2 1 4 1 2 1 4 1 2 1 4 1 2 1 4 1 2 1 4 1 2 1 4 1 2 1 4 1 2 1 4 1 2 1 4 1 2 1 4 1 2 1 2 1	
١	12 to 8/6 indirects 290 934 8/6 856 +1 663 4 14 indirects 200 1.4 17 1957 82 to 82 62 62 6 7 62 62 6 7 62 62 6 7 62 62 6 7 62 6 7 6 7	
ı	24 19 breather 50 2118 222 219 22 216 4	
١	24's 13's inputibute 59 3118 23's 22's 22's 41 10's 18's inchaph 025 15 22 4 16's d19's 19's 4 6's 8's intence 408 4's 4's 4's 4's 4's	
l	104; 183; brishoh	
1	109 24 6 804 x 0.80 0 7 1737461 108 3 106 6 190 + 34 2 15 4 107 m8 79 80 a34 2 34 3 34 3 3 4 3	:
Ì	3시합 15년 INFMB 79 80 m3시합 3시합 3시장 ~ 한 53년 40 Int FF 1 44 2.7 26 2330 m53년 81월 53년 +1년	:
Į		:
Į	48½ 31½ intputs 052 1.1 27 1359 48¾ 40 48½ +½ 485-333 interes 3 672 1.7 9 210 425 46% 425 ±13	- 1
l	241 123 lebest Day   118 85 15 228 #25 241 245 43	. 1
Ì	31/2 27% intel®w > 2.00 0.9 11 2579 30/2 30/2 30/2 3 5 3/4 interTAN 485 it5/2 4/4 5/2 + 2 19% 15/4 intiGameT x 0.12 07 18 2425 17/2 17/2 17/2	. (
l	197 <sub>2</sub> 197 <sub>4</sub> intifarmed x 0.12 07 18 2425 177 <sub>6</sub> 177 <sub>6</sub> 77 <sub>6</sub> + 217 <sub>6</sub> 177 <sub>6</sub>	٠l
1	07g 65g latt factor 435 77g 7 7g + 1 241g 141g lowega Co 3811800 231g 221g 221g + 1	: 1
1	23 40-k litrics 24 480 42-h 41-2 42-k -1 23 26-h linden Fot 160 31 15 220 22-k 21-3 22-k -2	į
ļ		i (
	1010 Dia Robert Car 25 105 014 014 014 114	۱.
Ì	68 41 4 M Cp 10 3360 83 2 63 2 86 4 4 3 31 2 7 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4	:
l		1

ı	50	8 291	e Menus Lo	0.1	6 0.4		2609	4	319 294 87	44	-14
	344	ر 28 د	4 Mapon X	a 0.2		 11	2066		294	2912	
l	6, 253	5	Mitns	0.2	0 3.6	10	15	83	8,	8/2 3518	
L	251 1471		2 Mark IV 1 Market Ca	0.1	9.0.6	45		25	24.2	25-1	松松は七十
Г	713	495	Marrit	0.3	6 0.5		1746	671	pal-	RZL	-1
L	7	57,	MehAkt. Marshell	2.0	0 24	21	1737	72	714	. 7333	+10
L	481	30	Marshell MarscoC	0.3	4 17	14	192 4413		461	4574	+4
1	231	2 15	MascoT-	0.2	¢ 1.1	12	607	211	207	21	本本本本本
l	114	gl	A Masem t	8.08	4 7.8		20	10-	10%	1912	74
	42 1 20 7		MassrpCp MassrpCp	2.0	4 6.8	11	181 75		413 151 <sub>2</sub>	15.4	**
	21	142	Metastahi	0.9		40	92	1994	197	1993	-1
	36 <sup>1</sup>	23	g Mattel	0.2	8 0.8		5279	3411	33 <sup>3</sup> 4 20 <sup>3</sup> 4	34	- 5
	Z (	121	Maroire Mayost Mayost Maytag MELA	1.2	23	18 17	141 5169	211 <sub>2</sub> 531 <sub>2</sub>	2014 5212	53.	
ı	294	197	Maytag	0.24	79	17	174D	26	27,5	201212	+14
Ι.	125	907	MELA	1.50	1.2	15	1243	12118 4276 3178	11013	121提	+5,4
13	15 Z	23	MENA 2 McChalchy	0.36	1.3	18	264	3138	41 <sup>1</sup> 2 29 <sup>1</sup> 2	2912	-13
	v.	10	8 McDerrect	0.20	} 0.7		492	3012	2012	2913 3016	170
3	331 311 504	267	McDerm2	2 220 6 260			15	327 21,	721.		+38
H	50 <sup>1</sup>	323	McDan law	s 2.60	1.1	17	2100 213	45	31 G	44%	16
9	54 4 189 2	425	McDervi2 McDerj kw McDrid	0.3	3 0.7	20	19632	5014	48%	4915	****
М	991 <sub>2</sub>	44 4	McGrwH McKess	1.0	23	24	1990	B416 11915	62/8	63	+14
ŀ	723		Memico x			23	1770	713	8814 69.5	713	+1% +1%
1.	an Li	ocl	Lindbest E.	W 07	7.3	14	540	38,	304	392	
ľ	ъ.	575	Militaric	0.44	1 B.S	45	12502	93 <sup>3</sup> 8 p48 <sup>3</sup> 4	90,7	90 4 48 4	Н
H	11.	341	MedinSk	9 0.60 1.30	1.2	13	7158	483	47.5	48-4 48-4	+13
Ι.	95	64	Medersa Co Medersa Co Medersk Medric 4	0.8	1 9.0		139	9,	9 <sup>1</sup> 4 67 <sup>2</sup> 2	9,4	
1	n.	431	METCH	1.7	25	18	801	914 6514	87計 641 <sub>2</sub>	4816 974 8974	+1 <sup>1</sup> 4 +1 <sup>4</sup> 4
١,	081	1,	Merci R Mercik	1.80			428 27663	96/4	947	95 1	+11/4
	18	13	Mercin			2	5855	9676	2	2	
1	10 y 10 Z	327	Morcory 6	1.18	1.3 1 0.9	19	354	U91-4	8914	914	+112
1	W 79	394	Median Mesiya x Mesida 7st	0.80	12		8200	85H	2938 6454 313 194 314	30 to 32 to	+14
Ι.	47	317	Mesahi 7st Mesahi Inc	× 0.26	5.9	0	113	4.0	312	311	T.
1	114	184	Mestuk Inc Mesteo Fd	0.62	28	13	97 1445	416	1916	19 <sup>3</sup> 8	· ·
1	4	341	MEIC x	0.10			2347	597	3216	531,	+1/4
6	D,	25	Montech	0.10			3636	4712	40	4714	+2
	11	nie nie	MidAmWas MidAmP x	ito 0.88	6.8	20	20 34	40	16	913	
1	73	15%	AlidamEngy Miliner Ch Miliner Ch	z 1,20	7.1	13	696	174 214 494 934	1615	17	本本を持ち
2	25	16%	Miline Ch	0.48	23		1537	211	1616	214	+4
4	84 84	374 M	MAN X	2.12			1767 4046	4918	4814 3114	49) c 93 ·	7.5
2	812	19%	Mirago Res				4383	2013	25/2	2512	+18
7	710	16%	MgChm z	0.40		0	z0	21	21	21	
2	3	18%	MichenA& MichenB& Milel Corp	0.48 0.50		12 12	90 961	24 87 7512 813	23 <sup>7</sup> 8 23 <sup>3</sup> 4 5 <sup>5</sup> 8 74, <sup>7</sup> 6	23/2	-i <sub>8</sub>
ľ	04	44	Milel Corp			23	574	87	55	57	+4
7	74	80	Motel Molecular	2.12	28	18 (		7612	7416	55 ST	+114
1	47,	7	MocMch	9.20	24		310 20	830		63	
5	2.6	344	Minumity x	0.54	14		3949	83g	338 4438 2318 618 1876 2018	4614	+2
2	3년 85 85	- 21	Mirantona Pa	1.80	6.9 1.3	10 18	CI		Zi.	991_	
1	3	17¥	Montadisa Montgom S	1.44	7.9	9	45	234 5/6 18/6 20 <sup>5</sup> 8	61 <sub>8</sub> 18,2 203 <sub>8</sub> 123 <sub>8</sub>	18.2	はなるなる
Z	22	18%	Moore Corp MagnulP	0.94	4.8	7	805	20°s	20	20,2	+4
11	61 212	93 <sup>1</sup> 8	Margacile Margacile	3.52	3.1 9.1	15 4	DV I I	14.76	1123 <sub>8</sub> 1 12	193	13
8	14	774	MI GAILE PF	5.00	58		14	12 12 85 1 <sub>2</sub>	843	12/6 85 <sup>1</sup> 2 25 <sup>1</sup> 8 7 <sup>1</sup> 8 53 <sup>1</sup> 4	1
	23	15%	Moreau Kon	0.32	1.4	14	294 t	234	214	253	114
5	4	233	Morgan Pr MgSiDH	0.50	1.1	9 18 8	178	74 534	2118 716 5214	74g 534	· · · · · · · · · · · · · · · · · · ·
14	4	64,	Montkned				793	12	11%	117	3
•	nla		Michia Madanii	0.48	0.6	462	800	79}} 187	76	7915	-
1	1	10 <sup>1</sup> 2	MinPerit z Meniantane	0.56 × 0.72	6.1 8.2		315	四位 11년	913 11 <sup>1</sup> 2	7912 912 11 4	# l
3	i.	. 43	Mentantant Mentantant	1.40	28		284	1114 5319	5211	53\2 · 21\2	116
2	14	11F	Mytau Labe Wyr Go	0.16	0.7	40 S 14	1711 477 u	2112	207. 194	21 <u>24</u> -	14
•	-16				•••		· ·	20.5	10.4	- Tale	76

	622 44% Penney 214 35 20 5127 462% 60% 62 +1 274 214 Penney 120 44 25 95 274 274 212 -2
+3 <sub>B</sub>	834, 45 Procisis 1.00 1.8 20 3517 787, 787, 787, +12, 372 2712 Pentair 0.54 1.5 17 115 354, 354, 354, 412
妈妈妈你是你在你妈妈妈的	36% 31% Peoplesen 1.68 4.9 13 370 38% 37% 38% 4.2 4.2 35% 28% Peoplesen 0.24 6.8 1517735 26% 25% 26% 4.4
76	36% 28% Pepalco 0.50 1.4 4559021 36% 35% 35% -kg 86% 57% Pierske 0.66 0.9 31 2313 81% 79% 31% 11% +1%
16	14% 10 <sup>1</sup> 4 Periors Fin 1.30 10.0 9 173 13.2 13 13 5 <sup>1</sup> 2 4 Permine Ba 0.53 10.7 12 74 5 4 <sup>1</sup> 2 4 <sup>1</sup> 2
3	37% 31½ Peliner x 0.80 2.2 54 80 37% 35% 37% +3g 64% 40% Phoer x 0.88 1.2 3547950 55% 54% 55% +2%
41	25 21 2 POSE 1.20 5.8 13 5463 24 1, 23 2 4 1, 41 27 27 2 Printlet 1.08 3.1 2215357 35 34 35 11
1	88% 67½ Photo 2 2.00 2.4 11 3361 85% 84½ 84½ 1½ 1½ 22½ 15% Photosobo x 0.85 3.7 21 88 u23½ 22½ 23½ 2½
	431 <sub>2</sub> 351 <sub>2</sub> Philippe 1.00 3.5 1650524 453, 443, 454, 413, 84 35 Philippe 0.02 1.1 23 4340 773 <sub>2</sub> 741 <sub>2</sub> 771 <sub>2</sub> 433, 453, 272 <sub>2</sub> Philippe 1.36, 25 25 2510 4813 471 <sub>3</sub> 4813 413.
+4	15% 11% Phillips 0.15 1.1 17 583 18% 19% 13%
1	134 85 Piccator 0.48 3.7 14 33 134 13 13 19 + 14 255 22 Pladoon@iG 1.22 4.9 14 149 255 243 254 +16
ľ	9% 6 <sup>1</sup> 2 Prochame 0.24 1.0 19 507 9 <sup>1</sup> c 7 <sup>1</sup> 2 8 - ½ 13 <sup>1</sup> c 6 <sup>2</sup> c Prochame 0.49 3.7 14 33 13 <sup>1</sup> c 13 13 <sup>1</sup> c + ½ 25 <sup>2</sup> 5 27 Redocomin 0.22 4.9 14 149 23 <sup>1</sup> 2 24 <sup>2</sup> 4 25 <sup>2</sup> 2 + ½ 20 <sup>2</sup> 2 10 <sup>2</sup> 2 Prof loop 4 0.14 0.8 25 2229 16 <sup>3</sup> 4 18 16 <sup>2</sup> c - ½ 21 <sup>2</sup> 3 15 Phin BATh 0.33 1.5 348 21 <sup>1</sup> a 21 <sup>2</sup> a 21 <sup>2</sup> c + ½ 12 <sup>1</sup> a 8 <sup>1</sup> a Phin BATh 0.33 1.5 348 21 <sup>1</sup> a 21 <sup>2</sup> a 21 <sup>2</sup> c + ½ 12 <sup>1</sup> b 8 <sup>1</sup> a Phin BATh 0.60 5.5 18 705 11 <sup>1</sup> a 1 11 11 <sup>2</sup> c
经经济经济经济经济	12 <sup>1</sup> g 6 <sup>3</sup> g Physical P 0.06 0.5 18 705 11 <sup>1</sup> g 11 11 <sup>1</sup> g 27,5 20 <sup>5</sup> g Physical Adv 1.86 6.8 21 195 027 <sup>2</sup> g 27 <sup>1</sup> g 4 <sup>1</sup> g
+16	34/2 24% Platerton 23 33 34/2 34/4 34/1 +/2 32/4 27% Platerton 1.10 3.4 13 1861 32/4 32/4 32/4 32/4 32/4
4	94 574 Plock 1 1.04 1.2 20 4825 887 85% 8812 +276
. 1	13-2   12-2   Flaure   1.00   a.   1.53   1.53   1.54   1.54   1.55
+ 14 2 14 + 16	80 4812 Pithway A 0.33 0.8 22 79 0802 5912 90 + 14 2212 1323 Piacer Dom x 0.30 1.7 87 2805 1714 1714 1714 + 14 1 1614 1912 Pinyboy 8 33 392 1328 1258 13 + 12
14	34 25% Plum Creeks 2.20 6.5 6 326 34% 33% 34% +% 18% 18% 19% 19% 19% 19% 19% 19%
でなる はなる	6812 47% PMI Gp 0.20 0.3 11 1147 5712 5712 5758 +18
4	49½ 33½ Pope Prod 4 0.12 0.3 36 912 42½ 41 42½ +1½ 60½ 36½ Poet 4 0.60 1.1 29 1566 56 54½ 55½ +1½
13	29 41½ Picyetu 27 906 u58½ 55½ 56½ 4½ 33 22½ PolufiLutr 4321 25½ 24½ 255 413 56¼ 425 Polyfeant 0.43 0.8 23 35 55½ 54 56½ 41
1,6	21.13 n Powe 8 Tal 0.76 3.7 34 92 2012 2034 2017
H.	131, 91-Porteche x 0.32 2.5 10 73 12.2 1173 1213 +2 19 137-Porte 3 0.30 0.4 27 182 183 183 183 +1 893 71 Posse 1 1.44 1.9 23 4767 7412 74 743 -1 483, 39 Post 1 1.70 3.5 25 316 472 463, 473 +1
	89% 71 PolSes 1 A4 1.9 23 4767 7412 74 742 -14 484, 39 Polch 4 1.70 3.6 25 316 472 464 475 +1 257 21 Polse 1 1.66 7.8 13 1543 22% 2712 225
14	24 10 PPSL 1.57 7.9 10 1870 214 2015 214 +12 56 4212 PDSS* 0.44 0.6 10 16469 5012 3212 5214 +12
14	66% 48 Precision 0.24 0.4 27 628 64% 62% 53% +1 23 1842 Precision 0.26 1.1 19 483 31% 31% 31% 31% 31%
Ž.	1 3g Primeshold 1 z0 1g 3g 1g
るるななななんる	155 <sup>1</sup> <sub>2</sub> 103 <sup>5</sup> <sub>2</sub> ProctG 2.02 1.4 2911996 141 138,2 141 +2 <sup>1</sup> <sub>4</sub> 111 <sup>1</sup> <sub>4</sub> 82 <sup>5</sup> <sub>2</sub> ProgCh 0.24 6.8 22 1801 103 <sup>1</sup> <sub>2</sub> 131 <sup>1</sup> <sub>4</sub> 103 <sup>1</sup> <sub>2</sub> +2 <sup>1</sup> <sub>4</sub>
	40 <sup>1</sup> g 28 <sup>1</sup> g Programs 24 670 040 2 28 <sup>5</sup> g 40 <sup>1</sup> g 4 1 53 <sup>3</sup> g 37 <sup>5</sup> g Programs 2 080 1.8 15 250 48 <sup>3</sup> g 49 <sup>3</sup> g 49 <sup>3</sup> g 41 2 65 <sup>3</sup> g 46 <sup>3</sup> g Prov Cos 8.80 1.2 18 781 065 <sup>3</sup> g 63 <sup>3</sup> g 65 <sup>3</sup> g 45 <sup>3</sup> g 41 2 1 2 781 065 <sup>3</sup> g 63 <sup>3</sup> g 55 <sup>3</sup> g 41 2 1 2 781 065 <sup>3</sup> g 63 <sup>3</sup> g 55 <sup>3</sup> g 41 2 1 2 781 065 <sup>3</sup> g 63 <sup>3</sup> g 65 <sup>3</sup> g 41 2 1 2 781 065 <sup>3</sup> g 63 <sup>3</sup> g 65 <sup>3</sup> g 41 2 1 2 781 065 <sup>3</sup> g 63 <sup>3</sup> g 65 <sup>3</sup> g 41 2 1 2 781 065 <sup>3</sup> g 63 <sup>3</sup> g 65 <sup>3</sup> g 41 2 1 2 781 065 <sup>3</sup> g 65 <sup></sup>
	534 579 POLISE 7 080 18 15 259 499 494 494 495 41 4
	254 275 Publish 216 6.8 11 3478 251, 241, 251, +1, 201, 154 Publish 2 0.88 3.6 11 1058 181, 101, 157, 307, 257, Publish 8 0.88 3.2 28 409 277, 271, 271, 12
i,	2612 2312 PugetSns 1.84 7.6 17 1124 2614 2614 2614 1
18	644 414 Pullar 052 18 18 29 5212 5212 5212 +2
ig ig	10% 8% Promotings? c 0.50 81 137 10% 10% 10% -% 75g 7½ PutrumintOv x 0.50 8.1 479 7% 7% 7% 7% 14% 14% 14% 14%
	11 g 10 g Pulcaru Min x 0.76 0.6 36; 11 g 11 l 11 l 11 l 2 11 l 2 - 16
2	875 775 PARMIPHORN 0.68 7.8 632 842 846 846 846 846 846 846 846 846 846 846
į.	18 <sup>1</sup> <sub>4</sub> 13 <sup>1</sup> <sub>5</sub> Dunier St. x 0.40 2.5 34 636 16 <sup>1</sup> <sub>2</sub> 15 <sup>1</sup> <sub>2</sub> 15 <sup>1</sup> <sub>2</sub> 15 <sup>1</sup> <sub>2</sub> 15 <sup>1</sup> <sub>3</sub> 15 <sup>1</sup> <sub>4</sub> 13 <sup>1</sup> <sub>4</sub> 23 <sup>1</sup> <sub>5</sub> Outres 0.60 1.9 15 626 32 <sup>1</sup> <sub>4</sub> 30 <sup>1</sup> <sub>5</sub> 32 <sup>1</sup> <sub>4</sub> 1 <sup>1</sup> <sub>4</sub> 43 34 <sup>1</sup> <sub>5</sub> Dunier 7, 1.26 3.2 15 1026 40 <sup>1</sup> <sub>8</sub> 38 <sup>1</sup> <sub>4</sub> 38 <sup>1</sup> <sub>2</sub> 38 <sup>1</sup> <sub>2</sub> 38 <sup>1</sup> <sub>4</sub> 126 32 15 1026 40 <sup>1</sup> <sub>8</sub> 38 <sup>1</sup> <sub>4</sub> 38 <sup>1</sup> <sub>4</sub> 126 32 15 1026 40 <sup>1</sup> <sub>8</sub> 38 <sup>1</sup> <sub>4</sub> 38 <sup>1</sup> <sub>4</sub> 38 <sup>1</sup> <sub>4</sub> 126 32 15 1026 40 <sup>1</sup> <sub>8</sub> 38 <sup>1</sup> <sub>4</sub> 38 <sup>1</sup> <sub>4</sub> 126 32 15 1026 40 <sup>1</sup> <sub>8</sub> 38 <sup>1</sup> <sub>4</sub> 38 <sup>1</sup> <sub>4</sub> 126 32 126 3
Å	43 344 Guestarie 1 1.26 3.2 15 1026 404 39 2 34 357 4 353 184 Chick Phy 0.24 8.7 17 2653 u36 2 344 357 42
10	
ì	-R-
1	39 <sup>5</sup> g 30 <sup>1</sup> g RL Corp
ì	19 <sup>2</sup> 19 <sup>2</sup> Reproder 1,88 0,8 14 45 19 18 <sup>2</sup> 19 <sup></sup>
· · · · · · · · · · · · · · · · · · ·	29 <sup>1</sup> 4 16 <sup>1</sup> 4 Reylames F 0.32 1.1 9 968 28 <sup>1</sup> 2 27 <sup>1</sup> / <sub>4</sub> 26 + <sup>1</sup> 2
<b>%</b>	41 221 Rendita 0.80 3.1 23 5020 293, 273, 291, ±7,
- {	36 <sup>5</sup> g 20 <sup>1</sup> c Romatisman 24 4042 32 <sup>1</sup> c, 31 <sup>1</sup> c, 32 + 2 52 <sup>7</sup> g 36 <sup>3</sup> c Romatok 0.20 6.8 23 2669 47 <sup>1</sup> c, 46 <sup>3</sup> c, 47 <sup>1</sup> c, + 1 13 <sup>1</sup> c, 6 <sup>3</sup> c Romanos 0.32 2.5 10 1222 12 <sup>1</sup> c, 12 <sup>1</sup> c, 12 <sup>3</sup> c, + 1 <sup>2</sup> c
ار	13½ 6¾ Relience 0.32 .25 10 1222 12½ 12¾ 12¾ 12¾ 12% 12¾ 12% 12¾ 12¾ 12¾ 12¾ 12¾ 12¾ 12¾ 12¾ 12¾ 12¾
į	11kl3 751_ Deally
7	55½ 29¼ Resign A 69 198 51½ 51½ 51¼ ¼ 17¼ 7% Resigner 14 21 10% 10% 10% 10%
716716-181516716-181-18-18-18-18-18-18-18-18-18-18-18-18	201 <sub>2</sub> 15 <sup>1</sup> <sub>2</sub> Road 15 458 17 <sup>1</sup> <sub>2</sub> 17 <sup>1</sup> <sub>3</sub> 17 <sup>1</sup> <sub>4</sub> 17 <sup>1</sup> <sub>2</sub> 17 <sup>1</sup> <sub>3</sub> 17 <sup>1</sup> <sub>4</sub> 15 <sup>1</sup> <sub>3</sub> 12 <sup>1</sup> <sub>4</sub> Road Cp 0.16 1.8 0 49 415 <sup>1</sup> <sub>2</sub> 15 <sup>1</sup> <sub>3</sub> 15 <sup>1</sup> <sub>4</sub> 15 <sup>1</sup> 4
	79% 80% Republic 1.40 1.8 44 2762 76% 76% 11%
	54 <sup>1</sup> <sub>2</sub> 37 <sup>1</sup> <sub>2</sub> Fine 71
2	35% 27 N.R. (b) 2.05 (8.8 133316) 35% 34% 35% +12 29% 17% 198 11 12 840 27% 25% 27% +1% 57(2 33% behavi hat 47 976 65% 57% 56% +12
¥a I	50 SV (SEELEN T) 1.25 1.3 324 (SW
	99 <sup>3</sup> g 70 <sup>2</sup> g Robert 4 2.00 2.5 16 1065 39 37 <sup>1</sup> g 39 +15 25 141a Rober 200 2.5 16 1065 39 37 <sup>1</sup> g 39 +15 25 141a Rober 200 2.5 16 1065 39 37 <sup>1</sup> g 39 +15
- 1	41 19 Rollman 989 4 31 4 44 21 89 Rollma 4 0.90 2.8 68 323 122 2 21 2 21 2 4 4
2	1512 12 <sup>1</sup> g RodinsTit. 4 0.20 1.3 16 300 15 <sup>2</sup> g 15 <sup>2</sup> g 15 <sup>2</sup> g 4 <sup>2</sup> g 31 <sup>2</sup> g 25 <sup>2</sup> g Route 1.00 8.4 307 20 <sup>2</sup> g 20 20 20 <sup>2</sup> g 4 <sup>2</sup> g
	34 1644 Houge 38-677 38-2 2876 30-5 4-12 581g 427 House 1.38 2.5 21 3835 542 53 547 4-2
	44 15 Rullmaire
Park Bridge of the State of the	25°s 17°s Resolute x 0.69 27 28 .833 129[2 22°s 22°s 22°s 22°s 22°s 22°s 22°s 22
	17% 13% Roddox 0.32 22.14 380 14% 14% 14% 14% 14% 14% 14% 14% 14% 14%
	在 A A A A A
	-5-

The second second

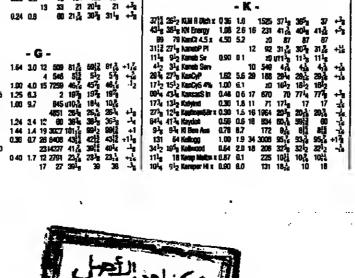
	•0-	
	9 <sup>1</sup> g 7 <sup>1</sup> g 0 H M Cap 266 8 <sup>1</sup> 2 8 <sup>2</sup> g 8 <sup>3</sup> g - <sup>1</sup> g	
•	32 <sup>1</sup> e 16 <sup>1</sup> c Oth lotte 21 543 30 <sup>1</sup> c 30 <sup>1</sup> c 30 <sup>1</sup> c	
	29 18 <sup>2</sup> g Outsproof Hore 10.04   0.1   17   921 e28 <sup>1</sup> g   27 <sup>2</sup> g   29 <sup>1</sup> g   +1   26 <sup>2</sup> g   27 <sup>2</sup> g   20 <sub>2</sub> g   +1   26 <sup>2</sup> g   27 <sup>2</sup> g   24 <sup>2</sup> g   +1   +1   +1   +1   +1   +1   +1   +	
1	23 <sup>1</sup> 4 13 <sup>1</sup> 5 000ep 2011856 17 <sup>7</sup> 8 17 <sup>1</sup> 4 17 <sup>13</sup> +1 <sup>6</sup>	
i	23 <sup>1</sup> 2 16 <sup>2</sup> 4 Ogdan 1.25 53 10 1274 a23 <sup>2</sup> 6 23 <sup>3</sup> 6 23 <sup>3</sup> 6	
	235 194 OhioEd 1.50 6.8 10 1819 22 2 22 22 23	
1	62 55½ ObboB4.4 4.40 7.7 z0 57 57 57 64 57½ ObboB4.58 x 4.58 7.4 z0 81½ 31½ 81½	
	4612 4012 Okton GBE 2.66 5.9 14 198 4514 4474 4474	
	36년 24월 OktRepist 0.52 1.4 12 1757 36년 35월 35월 35년 -	
	45 2 35 00mCp4 1.20 2.7 6 1826 44 44 44 44 +16	
Н	23 14 <sup>2</sup> g Chaten x 0.28 1.4 23 1503 20 <sup>1</sup> g 36 20 <sup>1</sup> g 37 22 <sup>1</sup> g Chancom 0.07 0.3 37 8839 27 <sup>2</sup> g 26 <sup>2</sup> g 26 <sup>2</sup> g 12	
I	70 <sub>16</sub> 44 <sup>1</sup> 2 Omnotion 0.80 1.1 26 752 70 <sup>2</sup> 9 69 <sup>5</sup> 8 70 <sup>1</sup> 4 + 16	
ď	30 <sup>3</sup> g 17 <sup>1</sup> g Genelda Liid   0.52 .1.7 10   79 #31 & 30 & 81 & +1 <sup>1</sup> g	
1	35 t 35 t Onest 1.20 3.7 15 352 23 t 32 t 23 t + 1	
	49년 32년 Oppent Cap x 3.60 7.6 14 276 40년 48년 48년 1년 16월 9월 Oppent MS x 0.60 8.7 288 19월 10월 10월 10월	
1	8.2 74 Crange Co 0.18 1.2 17 20 818 876 876 +12	
	36-%, 55-%, OrangaR-%, 2.58 7.8 11 61 34 33-%, 33/€%a	
	2811 1514 Overpon Str x 0.50 2.1 24 2725 2714 2674 27 4214 30 Onton Cup 0.64 1.5 11 445 u(2)2 4212 4212 +12	
1	424 30 Orton Cup 0.84 1.5 11 445 421 421 421 421 +11 271 171 171 171 171 171 171 171 171 1	
ı		
ł	24.5 185 0cm sh x 0.60 2.6 205 23.5 22?5 23.5 +12 **	
1	18 <sup>1</sup> s 9 <sup>2</sup> s Owenshi 0.18 1.4 28 611 13 <sup>2</sup> s 12 <sup>2</sup> s 12 <sup>2</sup> s 12 <sup>2</sup> s +2 <sup>2</sup> s	•
. [	18 <sup>1</sup> <sub>2</sub> 8 <sup>1</sup> <sub>2</sub> Owenald 0.18 1.4 28 811 13 <sup>1</sup> <sub>2</sub> 12 <sup>1</sup> <sub>3</sub> 12 <sup>1</sup> <sub>4</sub> 12 <sup>1</sup> <sub>4</sub> 48 <sup>1</sup> <sub>2</sub> 38 <sup>2</sup> <sub>2</sub> Owenald 0.30 0.7 9 1394 41 <sup>1</sup> <sub>2</sub> 41 41 <sup>1</sup> <sub>3</sub> 4 <sup>1</sup> <sub>2</sub> 38 <sup>2</sup> <sub>3</sub> 38 <sup>3</sup> 3 38 <sup>3</sup>	
ı	81 23 Oxford lad x 0.00 2.6 13 250 30 2 30 2 30 2 + 2	
	Olic 23 Maria Ball 100 20 13 230 307 307 307 307 174	
	one Sementary and to 12 and 20.5 and 20.5 and	
١	CITE TO THE WAY AND THE TOTAL	
	- P - Q -	
	-P-Q-	
	- P - Q -  67 <sup>1</sup> 2 48 <sup>1</sup> 2 PPC in z 1.32 2.0 19 2223 55 53 <sup>1</sup> 2 55 41 <sup>2</sup> 2  14 <sup>1</sup> 3 12 <sup>1</sup> 2 PS Green 18 105 13 <sup>2</sup> 5 13 <sup>2</sup> 5 13 <sup>2</sup> 5 4 <sup>1</sup> 6	
	- P - Q -  57 <sup>1</sup> 2 48 <sup>1</sup> 2 PPG in z 1.32 2.0 19 2223 55 53 <sup>2</sup> 6 55 43 <sup>2</sup> 6  18 105 13 <sup>2</sup> 6 13 <sup>3</sup> 6 13 <sup>3</sup> 6 13 <sup>3</sup> 6 + <sup>1</sup> 6  16 <sup>2</sup> 6 16 <sup>1</sup> 6 Pac Am inc 1.16 7.5 63 15 <sup>1</sup> 6 15 <sup>2</sup> 6 15 <sup>2</sup> 6 15 <sup>2</sup> 7	
	- P - Q -  57 <sup>1</sup> 2 48 <sup>1</sup> 2 PPG in x 1.32 2.0 19 2323 65 63 <sup>2</sup> 2 85 41 <sup>2</sup> 2  14 <sup>2</sup> 2 12 <sup>1</sup> 4 PS Group 18 105 13 <sup>2</sup> 5 13 <sup>2</sup> 5 13 <sup>2</sup> 5 4 <sup>1</sup> 4  15 <sup>2</sup> 3 14 <sup>2</sup> 4 Pac Amino 1.18 7.5 63 13 <sup>2</sup> 5 15 <sup>2</sup> 2 15 <sup>2</sup> 3 15 <sup>2</sup> 5 4 <sup>1</sup> 4  17 <sup>2</sup> 5 13 <sup>2</sup> 4 Pac Scion 0.12 0.7 41 44 15 <sup>2</sup> 3 15 <sup>2</sup> 2 16 <sup>2</sup> 2 16 <sup>2</sup> 2 + 1 <sup>2</sup> 2	
	- P - Q -  67'- 48'- PPG in x	
	- P - Q -  67 <sup>1</sup> 2 48 <sup>2</sup> <sub>2</sub> PPG in x 1.32 20 19 2323 65 63 <sup>2</sup> <sub>2</sub> 65 41 <sup>2</sup> <sub>2</sub> 14 <sup>2</sup> <sub>3</sub> 12 <sup>1</sup> <sub>4</sub> PS Group 18 105 13 <sup>2</sup> <sub>3</sub> 13 <sup>2</sup> <sub>3</sub> 13 <sup>2</sup> <sub>3</sub> 13 <sup>2</sup> <sub>3</sub> 13 <sup>2</sup> <sub>4</sub> 15 <sup>2</sup> <sub>4</sub> 14 <sup>2</sup> <sub>4</sub> Pac Am inc 1.18 7.5 63 15 <sup>2</sup> <sub>4</sub> 15 <sup>2</sup> <sub>5</sub> 15 <sup>2</sup> <sub>5</sub> 15 <sup>2</sup> <sub>4</sub> 15 <sup>2</sup> <sub>4</sub> 17 <sup>2</sup> <sub>2</sub> 11 <sup>2</sup> <sub>1</sub> Pac Scion 0.12 0.7 41 44 16 <sup>2</sup> <sub>3</sub> 16 <sup>2</sup> <sub>3</sub> 16 <sup>2</sup> <sub>4</sub> 15 <sup>2</sup> <sub>4</sub> 16 <sup>2</sup> <sub>5</sub> 16 <sup>2</sup> <sub>4</sub> 16 <sup>2</sup> <sub>4</sub> 43 <sup>2</sup> <sub>4</sub> Pac Con x 1.50 2.8 14 377 50 <sup>2</sup> <sub>4</sub> 43 <sup>2</sup> <sub>4</sub> 16 <sup>2</sup> <sub>4</sub> 16 <sup>2</sup> <sub>5</sub> 16 <sup>2</sup> <sub>4</sub> 23 <sup>2</sup> <sub>4</sub> 16 <sup>2</sup> <sub>4</sub> Pac Con x 1.50 2.8 13 2435 21 <sup>2</sup> <sub>4</sub> 27 <sup>2</sup> <sub>4</sub> 31 <sup>2</sup> <sub>4</sub> 1 <sup>2</sup> <sub>4</sub> 24 <sup>2</sup> <sub>5</sub> 28 <sup>2</sup> <sub>5</sub> Pac Got 1.52 4.5 14 1172 33 <sup>2</sup> <sub>3</sub> 32 <sup>2</sup> <sub>4</sub> 33 <sup>2</sup> <sub>4</sub> 1 <sup>2</sup> <sub>4</sub>	
	- P - Q -  67½ 48½ PPG in x	
	- P - Q -  67 2 48 2 PPG in x 1.32 2.0 19 2223 55 63 3 65 41 3 14 3 12 2 15 F Group  18 105 13 2 13 2 13 2 14 2 14 1 15 15 15 15 14 1 1 1 1 1 1 1 1 1 1	
	- P - Q -  67 2 48 3 PPG in x	
	- P - Q -  67 \(^12\) 48\(^12\) PS Broup  15\(^12\) 14\(^12\) PS Broup  15\(^12\) 14\(^12\) PS Broup  15\(^12\) 14\(^12\) PS Broup  15\(^12\) 14\(^12\) PS Broup  17\(^12\) 14\(^12\) PS Broup  10\(^12\) 17\(^12\) 15\(	
	- P - Q -  67 \( 2\) 48 \( 2\) PPG in \( x \)  142 \( 2\) PS Group  18 105 13 \( 2\) 13 \( 2\) 13 \( 2\) 13 \( 2\) 14 \( 2\) 15 \( 2\) 1	
	- P - Q -  67 2 48 3 PPG in x  1.32 2.0 19 2223 55 63 3 65 41 5  16 12 PS Broop  18 105 13 5 13 5 13 5 14 5  16 14 15 PBC Broop  17 2 11 8 PBC Broop  1.18 7.5 63 19 12 15 15 18 18 4 5  17 2 11 8 PBC Broop  1.08 5.8 13 2435 21 6 21 6 31 6 4 6  23 2 18 2 14 17 2 37 5 32 6 37 6 32 6 1 6  24 2 27 8 PBC Broop  1.08 5.8 13 2435 21 6 21 6 31 6 4 6  24 2 27 8 PBC Broop  1.22 4.5 14 1172 33 5 32 6 32 6 32 6 1 6  25 2 3 2 3 196 24 6 23 7 24 6 4 6  31 4 2 14 PBC Broop  25 2 3 2 3 196 24 6 23 7 24 6 4 6  31 4 2 14 PBC Broop  67 2 37 9 PBC Broop  1.00 7.8 10 3357 32 22 22 22 24 6 4 6 6 7 6 7 6 7 6 7 6 7 6 7 6 7 6 7	
	- P - Q -  67 2 48 2 PPG in x  1.32 2.0 19 2223 55 63 2 65 41 2  164 2 PS Group  18 105 13 2 13 2 13 2 14 2  172 11 2 Pac Scion  172 11 2 Pac Scion  172 11 2 Pac Scion  172 12 Pac Scion  173 2 14 2 Pac Scion  174 14 16 5 16 2 16 2 16 2 4 2  23 24 18 25 Pacinit  105 13 2435 21 2 12 2 13 2 1 2 2 2 2 2 2 2 2 2 2 2	
	- P - Q -  67 2 48 2 PPG in 2  1.32 2.0 19 2223 55 63 2 65 41 2  161 12 PP Stropp  18 105 13 2 13 2 13 2 13 2 13 2  17 2 11 2 PS Group  1.18 7.5 63 15 2 15 2 15 2 15 2  1.19 PS Group  1.20 2.1 4 4 16 2 16 2 16 2 16 2 1 2  23 24 18 PS PS B S S S S S S S S S S S S S S S S	
	- P - Q -  67	
	- P - Q -  67 2 48 2 PPG in x	
	- P - Q -  67	
	- P - Q -  67 2 48 2 PPG in x  1.32 2.0 19 2222 55 63 2 65 41 2  144 2 PS Group  157 14 2 PR Con x  172 11 2 PR Con x  1.18 7.5 63 19 2 13 2 15 2 15 2 1 2  23 2 16 3 PR Con x  23 2 16 4 PR Con x  1.20 2 14 4 16 5 16 5 16 5 16 5 16 5 16  24 3 29 PR PR Con x  1.20 2 14 4 16 5 16 5 16 5 16 5 16 5 16  24 4 2 PF PR Con x  1.20 2 14 4 16 5 16 5 16 5 16 5 16  24 5 29 PR PR Con x  1.20 2 14 4 16 5 16 5 16 5 16 5 16  24 5 29 PR PR Con x  1.20 2 14 1 17 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	
	- P - Q -  67 2 48 2 PPG in x  1.22 20 19 2223 55 63 2 55 41 2  164 2 PS Group  18 105 13 2 13 2 13 2 13 2 13 2 13 2  172 11 2 PS Group  18 105 13 3 13 2 13 2 13 2 13 2 13 2 13 2 13	
	- P - Q -  67	
	- P - Q -  67	
	- P - Q -  67 2 48 2 PPG in x  142 20 19 2323 55 63 2 85 41 2  144 3 124 PS Group  18 105 13 2 13 2 13 2 14 2  172 114 Pac Science  18 105 13 2 13 2 15 15 4 4 1  172 114 Pac Science  18 20 2 14 2 15 15 2 15 2 15 2 15 2 15 2  23 2 15 4 27 1 2 15 2 15 2 15 2 15 2 15 2 15 2 15	
	- P - Q -  67	

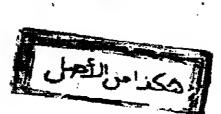
To the state of th

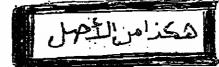
| 1987 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 | 1988 |

Ξ.	1.30	21				40 21	93	
	1.08	4	14	2435	335	32	493 31 333 363 242	100 +100 +100 +100 +100 +100 +100 +100
	0.50	1.5	10	9074 1340	24	32° 37° 237 293	36	+1-1
ĸ	0.32		15	237	202	20	297	+1
	0.90	1 14		4557 4230	12() 85 <sub>1</sub>	12	2 124 65/	7
1.5	1.00	7.1	23 10	- 477	1 10014	98, 225	293 123 550 502 213 79 213 78 213 78 354	4
5	4.50	6.4		z	7 20 70 7 462 <sup>3</sup> 7 7 162 <sup>3</sup> 7 763 7 763 7 763 1 38 <sup>3</sup> 2 26 <sup>3</sup>	7	79	
	214 1.20	44	20	512/	27	70 803 274 778 354 354 2 374 2 254 3 354	210	+16-4-14-4-14-4-14-4-14-4-14-4-14-4-14-4
	1.00	1.8	20 17	3517	764	77 <sub>6</sub>	: 76°-	+14
en sålf	1.58	44	13	370	381	37	381	-12
	0.24	1 14	45	55121	364	35	35%	+4
Fen	0.65	100	31	2313	817	79	314	+14
Fac. Ba	0.53	10.7	12	74		5 43	44	
	0.80	12	35	00 C750	374 55%	350		
		54	13	5463 15357	244	542	55% 24 35	+4
E CONTRACT	2.00	24	11	3361	85%	343 841 223 444 744	84 12 231	14
אמנ ז	1.60	3.5	71 16	86 50524	102.34	44	453	+146
	. 0.82 1.30	1.1	23	4340 2510	453 773 485	744 474	774	+346
	0.15	7.1	17	E07	107		1.223	
Property Property	0.48	3.	19	307	936 134 251 <sub>2</sub> 184 213	71	134	***
e,	1,22	45	14	149	2512	24	-24	+16
SP 4 Th	0.33	1.5	18	2329 349	214	213	16%	+ 4
P	0.06	0.5	18 21	715	1114	. 11	11.	, Ja
1	1,88	0.0	23	33	34, 32,	27 4 34 4 32 4	343	+,
4	1,10	1.2	20	1861 4825	324	32 4	32/6 885	+254
	1.08	8.1		23 1218	13%	13.	13,2	
4	0,10 0,33	0.3	20	244	036	36	3534	-4,
) )	0.33 0.30	0.6 1.7	22 87	79 2805	UBD 2	59£	17.3	+14
1	0,10 0,33 0,30 2,20 0,12		33 8	392	133	344 321 355 137 767 351 171 125 331 331 357	3534 90 17,3 13 344	
	0.12	6.5 0.6	25	107	19,7	193	1974	+10
	0.20 1.48	0.3 3.4	11	1147 2897	19.7 57\2 49\2	57 7	573g	+18
<b>d</b> 4	0.12	0.3	35	912	4312 4212 5512 2513 5512 2513 12.2	41	40.00	+1 2
	0.60	1.1	27	908	75612	54 55 1 24 1	56 g	+148
n a a	0.43	0.8	23	4321	255	2411	255g	+139
a	0.76	3.7	34	92	2012	20	2018	
C X	0.32	2.5	-	73 277	12成 18花	16.	12 <sup>1</sup> g 18/s	1
	1.44	1.9	23	4767	12 de 18 de 174 de 18 de	74	74.2	+4+1
	1,66	3.6 7.8	13	316 1543	22%	2712	2258 214	*1
	0.44	7.9	10 101	1870 6469	2238 214 5312 6418 3112 2738	76 454 27 20 32 32 62 31 31	214 524	4
	0.24	0.4 1.1	27 19	6469 625 483	6418	6212	5214 5374 3114	+1
•	4.30	1.1	30	550	27 8	264	· 27	44
P	202	14	1 291	ZÜ 1996	141	- 34 138∂	1 <sub>8</sub>	
	0.24	6.8	ž	801	10312	1314	141 103 <sup>1</sup> 2 40 <sup>1</sup> 8 48 <sup>2</sup> 1 55 <sub>4</sub> 6	-71
	0 60	1,8	24 15	259	49-8	4916	497	144
	8.80	1.2	18					Ή
18	4.08	6.4		z0	u64	24 241 103 27,1	36 <sub>16</sub>	
	2.16 0.88	3.6	11 1	478 058	18,4	10%	33/6 15%	+14
	0.68 1.54	32 75	28 17 1	124	27% 26.	7544	26./-	10 10
٠.	0.52	1.8	18	29	5217	26 <sup>1</sup> 52 <sup>1</sup>	5213	+1 m
7 6	0.50	0.6 8 1		739 137	1013	521 <sub>8</sub> 36 <sub>12</sub> 10 <sub>14</sub> 7 <sup>3</sup>	391 <sub>2</sub> 10(4	+1 4
v x	0.50	8.1 6.8		479 127		73	1074 73g	-
bz	0.76	8.0		361	11.4	1112	1416 1112	4
	0.88	6.8 7.8		147 632	8 8	63g	856 876 4976	
	1,14	23 25	34 4 34	790 836	491 <sub>2</sub> 1513	14/6 11 <sup>1</sup> 2 8/6 8 <sup>3</sup> 8 48/4 15/2 30 <sup>7</sup> 8	49 15 15 12	1
_	0.50	1.9	13	626	49 <sup>1</sup> 2 15 <sup>1</sup> 3 22 <sup>1</sup> 4 40 <sup>1</sup> 1	304	324	114
Ξ,	1.26 0.24	5.2 6.7	17 2	026 653 u	40 36 -	39/4	34.5	4
							-	

Have paper 22\frac{1}{2}\$\fra Competition 1 The second secon 







# Dow within range of 8,000-point level

Wall Street held on to the week's gains and appeared ready to rally further as the Dow Jones Industrial Aver- rises. age moved within range of tha 8,000 point-level, torites John Labate in New York.

By early afternoon tha Dow was 32.30 higher at 7,950.40. The broader Standard & Poor's 500 also market," said Ed Kirchner. improved, up by 6.26 at 932,27.

As large technology groups continued to stage a strong come-back, the Nasdaq composite index rose by 15.24 or nearly 1 per cent at 1,615.95. Among the hightech leaders was Compaq Computer, which surged \$3% or more than 5 per cent at

"Wa've probably seen the correction contained," said Bill Meehan, market analyst at Prudential Securities in New York.

Most impressive in this week's gains to Mr Meehan is the performance of small and medium-sized company stocks. By early afternoon the Russell 2000 index of smaller stocks gained 3.56 or 0.9 per cent at 417.35.

'What's changed recently in the market is we're not seeing a lot of the super-cap stocks reaching new highs." said Richard Hoey, director of equity research and chief

The trend suggests that received a counter bid from investors are broadening their buying choices somewhat, giving analysts a positive view of future market

Few, however, would count certain large company stocks ont of future rallies. "Our view is that it is the blg-cap technology companies that are leading the stock market strategist at

PaineWebber. Companies like Dell and Compaq, large drug companies and financial firms should continue to take the market higher, with the ever-turbulent Dow reaching 6,700 by year end, according to Mr Kirchner. Leading the Dow higher

were Eastman Kodak, up \$2% at \$65% and Philip Morris, the tobacco producer, which added \$1 at \$45%. TORONTO continued to gain ground helped by a

strong morning session for tha banks and market heavyweight, BCE. At noon, the 300 composite

index was up 18.42 at 6,734.60. Talacoms giant BCE jumped 65 cents to C\$41.10. Royal Bank of Canada shook off worries about a poten-

tially expensive bid tussle, rising 65 cents to C\$63.40 and Toronto-Dominion Bank added 35 cents at C\$41.80.

Great-West Lifeco on Tuesday topping an earlier offer from Royal Bank of Canada, improved a further 40 cents to C\$34.05.

Bombardier continued to suffer from weak secondquarter results, sliding a further C\$3.30 to C\$36.20.

MEXICO CITY dipped at the opening but was moving higher by mid-morning. Steel leader Tamsa turned an initial loss of 1.50 pesos into a gain of 4.50 pesos to 150 pesos.

At midsession, the IPC index was up 54.77 or 1.1 per cent at 5.096.25. SANTIAGO moved higher,

adding 1.50 to 133.73 on the IPSA index at midsession. But SAO PAULO continued to lose ground. At the end of morning trading, the Bovespa index was 255 or 2.3 per cent lower at 10,957.

#### **SOUTH AFRICA**

higher but the market remained cantious ahead of GDP data due for release next week. The industrial index closed 59.8 np at 9,146.2. the all-share index ended up 40.6 at 7,437.8 and golds were off 4 at 1,013.5.

The weak rand, at eightmonth lows, helped market merzbank takeover or SFr1,424. dded 35 cents at C\$41.80. leader De Beers finish np London Insurance, which 100 cents at R151.25.

# Bourses ahead on \$, rates outlook EUROPE Bourses continued to

Bourses continued to gain ground, riding up on the firmer dollar and the perception that there were no short-term shocks in store for the interest rate outlook. FRANKFURT had the

added impetus of upbeat corporate news and feverish takeover talk, and at the close of electronic trading the Dax index was 61.48 higher at an Ibis-indicated

Commerzhank was sgain the target of bid gossips. The shares touched DM74.50 before hitting an all-time high of DM72.70, up DM3.50. At 3.1m shares, volume was some of the heaviest of the year. The bank denied it was in "talks" and that it had planned to call a press conference yesterday afternoon.

to DM874 following better than expectad interim results, which took in a link for Commerzbank strong telecoms performance plus a turnaround in pipes and trading. There was a strong suggestion that analysts would be upgrading their earnings estimates after today's meeting with the company.

Mannesmann surged DM52

DM2 to DM71.80 in a generally mixed chemicals sector. ZURICH turned the spotlight on to its financial sector amid speculation a Commerger might be with Credit PARIS saw a bounce for

# Share once and index (rebased)

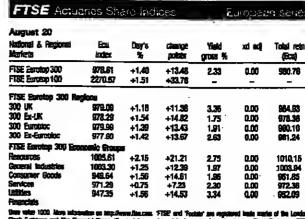
Suisse and Winterthur, which are themselves merg-

The SMI index added 110.0 or 2 per cent at 5,690.1, in a continuation of Tuesday's 3.3 per cant rebound which brought a halt to seven straight sessions of losses.

The possibility of a Swiss

emerged after a news service report that Martin Ebner's BZ group had picked up 15 per cent of the German bank's capital, which it might use to press for a merger with CS-Winterthur. BZ declined comment, but Bumper six-month results analysts noted that Mr at Merck lifted the shares Ebner said in January that he could imagine his group investing in German banks. CS Group rose SFr5.50 to SFr195.50 and Winterthur

was SFr39 higher at



Rhône Poulenc plus another AMSTERDAM continued rising but ended well off its

strong session for oils. The CAC 40 index ended 43.11 highs as the US bond market higher after a session of relatively narrow trading and closed 12.27 up at 959.72, off limited volume.

Elf Aquitaine, hoisted on Tuesday by Angolan oil exploration news, rose a further FFr86 to FFr721 for a two-day advance of more than 11 per cent. Total moved up in sympathy, adding FFr22 at FFr625.

Rhôna Poulenc gained FFr13.30 to FFr254.70 after for the minority shares in US offshoot, Rhone Poulenc Rorer, came in at the lower gaining FFr18.90 to FFr334.8 while retailer Pinault Printerms surged in late trading to close FFr150 better at

Tokyo rallies 1.5% in volatile session

weakenad. The AEX index a high of 976.11. The market got off to a

robust start with a 2 per cent rise, but the release of the US trade deficit for June put Philips rose F18.50 or 5.7 per cent to Fl 158.40 after

auctioning 100m of its shares

in Taiwan Semiconductor. Philips said It would use the FI 1bn raised to reduce debt. ABN Amro retraced some of the healthy gains made this week with a fall of end of market expectations. Fl 48.10 or 2.2 per cent to CCF stood out among banks, FI 48.10. The banking group's

results are due today. Unilever added F19.20 or 2 per cent to FI 460.10 after Merrill Lynch upgraded its

second straight day, reassured by Wall Street, and the Comit index finished 12.11 higher at 905.18.

Among some of the day's best performers, Fiat was L166 higher at L5,703, Pirelli added L172 at L4,817, and

Olivetti finished L23.1 higher Manifattura Rotondi, the clothing maker, leapt L715 or 50 per cent to close at L2,150 on its first day of trading since August 11, when the shares were suspended for

excessive gains. OSLO took its cue from Wall Street but gains were limited by continued falls in engineering group Kvaerner. Tha all-share index closed 2.86 higher at 1,288.06.

Kvaerner closed NKr22.50 lower at NKr408.50 in the highest turnover of the day. The market was disappointed by its first-half profits announced on Tuesday. HELSINKI ended higher in active trade as the market HELSINKI ended higher in latched on to Wall Street's overnight gains. Tha Hex collected 67.42 to 3,559.22, with advances beating declines 86 to 13.

Nokia led the rally, with the share closing up FM10 at FM464.90 in heavy volume. Trade in food and chemicals group Raisio was also active and gained FM31 to FM581.

Written and edited by Michael Morgan, Jeffrey Brown and

# Funds help Kuala Lumpur rebound 5%

hint that foreign institutions might also be and a strengthening local dollar against the bnyers, brought a 5 per cent rebound to US currency also provided support. Ruala Lumpur as the market attempted to distance itself from the 32 month-low at which it settled on Monday.

Wall Street's firmer overnight close and yesterday's more confident performance in neighbouring Asian markets brought back relentless ambition to keep real GDP buyers for large capitalised issues. These have been looking increasingly cheap after the market's 30 per cent pull back from its February high as lingering concerns about a slowdown in Malaysia's economic growth and worries about a further weakening in the country's currency spooked investors

ised stocks closed 44.26 better at a high for long-term valuations to be reduced.

Renewed demand by domestic funds, and a tha day of 929.57, as some short-covering

Few analysts believe that Kuala Lumpur is out of the woods yet, however. J. P. Morgan's key concerns are the stretched state of the economy, the high degree of financial leverage and the anthorities' apparently growth on the fast track.

While market valuations do seem low. Morgan believes that earnings multiples of 15 or lower are not necessarily underpricing the market. The investment bank says that the chances for a strong recovery remain slim, no matter how quickly the regional financial crisis abates. It expects earnings The composite index of 100 large capital- to disappoint, liquidity to stay tight and

A late buying spree by domestic institutions took Tokyo up 1.5 per cent at the end of a volatile session, writes Gwen Robinson.

The Nikkei 225 average finished at the day's high point, up 291.23 at 19,252.23. The low for the session was 18,905,69. Selling of construction

stocks dragged the market ume of 32m shares. down at the outset, but sentiment recovered as investors switched to the buy side, encouraged by New York's robust recovery overnight. There was solid buying of domestic demanddriven and high technology stocks towards the close.

Volume rose to an estimated 363m shares from 342m. Advances led declines 686 to 405 with 170 unchanged. The Topix index of all first-section stocks rose 9.08 to 1.492.08 and the capltal-weighted Nikkel 300 was up 1.81 at 291.73. In London, the ISE-Nikkel

50 index rose 2.06 to 1,658.64. Construction Issues were mixed as the market digested the latest failure in the sector, Daito Kogyo. Leading shares drew strong buying interest, while small and medium-sized companies tumbled. Shimizu rose Y34 to Y637 and Kajima Y23 to Y636. But Tobishima fell Y2

to Y165, Fujita Y6 to Y108

and Aoki Y3 to Y72. Daito

Kogyo, which will be

delisted from the TSE in November, was at Y57. Blue chip electrical and high technology stocks mostly advanced, helped by stable foreign exchange rates and the better tone on Wall Street. Sony rose Y400 to Y11,400, Kyocera Y100 to Y8,930 and Canon Y50 to Y3,610. TDK, however, fell

Y10 to Y9,830, Fanuc Y50 to

Y4,900 and Tokyo Electron

US Pound Local Local Local Stefing Yen DM Currency 52 week52 week ago Index Index Index Index Index High Low (approx)

-- MONDAY AUGUST 16 1997 --

Y70 to Y7,340, Among banks, Daiwa Bank ended Y54 to 15,855.67 on turnover of 1,943.92 in active trade. higher at Y685 after reaching

an intra-day high for the year of Y691. Sakura Bank, of the Hong Kong dollar the day's most active issue, faded, sparking a strong gained Y15 to Y758 in spite rebound for property shares. of its losses as Daito Kogyo's Sung Hung Kai rose HK\$3.75 to HK\$98.00 and Cheung main bank. Long-Term Kong HK\$2.25 to HK\$89.50. region. Credit Bank of Japan gained Red chips and H shares also Y17 to Y613. In Osaka, the OSE average rebounded. The red chip

index jumped nearly 8 per rose 90.80 to 20,116.11 in volcent while the H-share index advanced 13.2 per cent. HONG KONG railied strongly in record volume as sentiment swung back on to

SINGAPORE rose on news of better than expected the upside after a two-day exports and was helped by Wall Street's rally. The decline of more than 6 per cent. The Hang Seng index Straits Times Industrial

A rise of almost 7 per cent Worries about the stability in non-oil exports in July Brokers wera also cheered by the fact that currency speculators were holding off after a wave of attacks in the Bank shares were among

the biggest gainers, with United Overseas Bank rising 80 cents to \$\$14.20.

Development

Global and Asian Infrastructure Alliances

SIXTH ANNUAL

Economic

Congress

SEPTEMBER 16-19, 1997 • HONG KONG

HIMEBIATELY PRECEDING THE IMF/WORLD BANK ANGUAL MEETING

development priorities of Asian governments

AND PRIVATE SECTOR DECISION-MAKERS:

transportation and logistics

capital in developing markets

JW MARRIOTT - ISLAND SHANGRI-LA - CONRAG INTERNATIONAL ROTEL

ATTENU 1997'S MOST IMPOUTANT B-BAY GATNERING OF PUBLIC

EXAMINE in-depth case studies in power, water, telecommunications,

CULTIVATE new relationships with world-class Infrastructure players

· INTERACT with private and public sector leaders of the fastest-

• HEAR the best thinking and analysis on future infrastructure

GAIN practical information to advance your business and secure

PAUL KRUGHAN

YOH KURGSAWA

JOHN MAISBETT

Fernanist and Author.

"Megatrends Asia"

CEORGE P. SIRILIZ

METSUO SATO

Former U.S. Secretary of State

President, Asian Development Bank

Registration Dept.

Professor of Economics

Mil and Stanford University

Chairman, Industrial Bank of Japan, Ltd.

World

gained 378.41 or 2.4 per cent index closed 25.39 higher at peak of 9,856.59 in moderate

Electronics appeared to have shaken off a hout of profit-taking. The sector jumped 4.2 per cent, with microchip giant Taiwan Semiconductor gaining T\$5 to T\$157.

MANILA reversed an .. eight-day losing streak to close with the composite higher at 2,408.06. PLDT rose TAIPEI was spurred by 4.8 per cent to 880 pesos, but Wall Street. There was the property sector stayed renewed interest in high- weak. Ayala Land was the technology shares and the day's most active stock, slipweighted index closed 142.71 ping 50 centavos to 17.75 up at 9,855.18, near the day's pesos.

keynote address

by Tung Chee Rws,

Chief Executive,

Hong Kong SAR

#### Emerging markets: IFC weekly lavestable price indices Local currency terms

Market	No. of	Aug 15 1987	% Change over week	% Change on Dec '98	Aug 15	% Change over week	% Change on Dec '96
Latin America	(247)	749.48	-24	+39.3			
Argentina	(30)	1,218,86	-0.8	+28.2	747.492.72	-0.8	+28.2
Brazil	(68)	566.38	-4.8	+43.4	2,312,39	-4.7	+50.1
Chile	(46)	798.05	-1.4	+28.7	1,322,87	-1.3	+25.4
Colombia <sup>1</sup>	(14)	889.71	+3.7	+40.5	1,779.59	+4.7	+57.7
Mexico	(63)	773.78	-1.4	+46.1	2.590.40	-2.0	+44.1
Perul	(17)	246.89	+0.2	+25.5	399,54	-0.3	+27.8
Venezuelas	(9)	1.030.79	-1.5	+41.B	11,729,48	-1.5	+47.1
Asia	(709)	211.40	-5.1	-16.4			
China4	(27)	106.77	+5.6	+44.8	111.72	+5.6	+44.7
South Korea	(156)	83.78	+0.B	+8.5	98.58	+0.9	+14.8
Philippines	(42)	196.96	-11.8	-32.9	283.53	-8.1	-24.0
Talwan, China	(90)	193.42	-1.9	+26.2	208.55	-1.9	+31.8
India <sup>7</sup>	m	108.64	-1.5	+37.9	137.75		+37.4
Indonesia*	(49)	95.93	-16.8	-24.B	148.95	-8.1	-8.5
Malaysia	(148)	223.87	-5.2	-33.5	229.95	-2.2	-26.7
Pakistan <sup>e</sup>	(28)	290.80	-5.0	+48.6	536.53	-5.0	+50.1
Sri Lanka**	(5)	146.06	-1.7	+53.6	187.87	-1.7	+59.6
Theiland	(87)	137.63	-3.9	-37.7	173.77	-2.5	-22.9
Euro/Mid East	(266)	160.27	-20	+19.4		2.0	
Czech Rep	(7)	61.68	+0.9	-12.1	69.26	-0.1	+9.1
Egypt	ຕອ	93.86	-0.2	_	93.69	-0.2	
Greece	(54)	258.20	+2.0	+47.8	692.72	+0.3	+71.1
Hungary	(12)	299.35	-6.5	+52.1	706.35	-7.5	+84.8
Israel	(40)	129.32	-3.3	+29.3	139.84	-3.8	+39.8
Jordan.	(A)	209.70	-0.5	+12.3	312.95	-0.5	+12.2
Morocco	(5)	124.57	+1.2		134.34	-0.1	_
Potend <sup>a</sup>	(31)	688.30	+1.6	-6.0	1,511,85	+1.7	+14.7
Portugal	(29)	197.81	+1.3	+35.4	250.69	-0.4	+60.8
Russia	(15)	202.55	+0.1	_	209.48	+0.2	-
Slovekia	(5)	92.01	+1.8		87.92	+0.8	_
South Africas	(63)	228.39	-3.3	+9.5	221.16	-2.8	+9.8
Turkey*	(58)	218.63	-2.6	+47.7	16,908.10	-2.3	+121.B
Zimbabwes	(5)	653.78	-2.3	+38.1	1,127,47	-2.0	+49.4
Composito	(1222)	322.11	-3.3	+8.2			

US Day's Pound
Dollar Change Starling Yen DM Currency % chg Dw.
Index % Index Index Index Index on day Yield

0.1 210.58 170.43 217.79 205.24 2.0 180.20 145.86 186.38 186.27 0.3 219.43 177.81 226.96 222.42 -0.7 246.70 202.10 258.26 522.42 1.0 198.90 160.91 205.62 217.22 0.2 353.75 286.33 385.89 364.80

1.0 198.80 160.91 205.62 217.22 
0.2 353.75 296.33 385.89 364.60 
0.7 276.09 223.47 285.56 344.84 
1.4 207.58 166.01 214.70 218.22 
1.5 207.73 168.14 214.85 214.85 
214.85 214.85

-0.6 114.93 93.02 118.87 167.70 0.3 305.61 247.56 316.09 230.64 0.1 315.49 255.38 329.31 351.04 0.1 1.1 224.35 161.59 232.05 285.89 1.0 455.64 368.79 471.27 569.40 237.27 275.91 223.2 265.37 280.58 1.2 287.22 232.47 297.07 287.22 1.4 347.06 280.92 368.97 376.00

The FT/S&P Actuaries World Indices are owned by FTSE International Limited, Goldman, Sachs & Co. and Standard & Poor's. The Indices are compiled by FTSE International and Standard & Poor's in conjunction with the Faculty of Actuaries and the Institute of Actuaries. NatiVest Securities Ltd. was a co-founder of the Indices.

0.0 2.8 1.1 -0.6 1.3 1.0 1.4 2.1 2.3 -3.6 -1.8 1.0

3.0 -3.7 1.5 1.4

The World Index (2458).....258.20 0.9 238.33 182.81 248.51 232.79 1.1 1.79 255.93 235.55 190.47 242.48 230.27 267.21 207.84 211.08

Copyright, FTSE International Limited, Goldman, Sectre and Co. and Standard & Poor's. 1937. All rights reserved. "FT/S&P Actuaries" is a joint tradement of The Financial Times Limited and Standard & Poor's.
Littlet prices were transplicted for this writton. Market cleased 1986/97: Prelimbra.

3.75 1.76 3.07 1.86 1.71 1.59 2.41 1.39 2.16 2.71 1.82 0.81 1.62 0.81 1.46 2.01 3.96 1.11 1.34 2.32 1.75 4.77 3.47

1.4 317.10 256.86 327.98 288.42 1.4 1.84 338.79 311.82 252.14 320.86 285.39 356.35 242.47 248.13 1.4 251.20 203.32 259.81 284.07 2.0 2.41 266.25 246.89 189.84 254.13 256.90 284.44 212.81 213.22 0.8 386.51 312.84 399.77 435.13 1.6 1.70 415.39 362.32 309.15 333.53 428.17 437.88 307.34 307.34 -1.1 135.22 109.45 139.86 110.60 -0.8 1.31 148.07 136.28 110.20 140.29 111.51 163.27 127.18 191.36 0.3 183.63 148.83 188.93 188.25 0.8 1.94 198.24 182.45 147.54 197.81 166.96 209.12 173.55 182.85 14. 337.84 273.45 346.43 365.40 1.4 1.54 360.86 332.15 268.58 341.89 360.24 379.38 258.56 254.88 1.8 226.10 183.01 233.88 244.75 2.3 1.81 241.12 221.93 179.46 228.44 239.30 256.73 181.01 192.84 182.45 187.56 151.65 183.78 177.98 264.26 -1.8 2.88 265.52 271.99 219.94 279.97 268.66 320.65 280.77 263.21 0.4 187.36 151.65 183.78 175.08 0.8 1.92 202.20 189.10 150.48 191.56 173.72 212.89 175.94 184.02 298.77 241.82 308.02 318.53 1.4 1.97 318.74 294.28 237.96 302.92 314.11 334.83 242.70 245.41

FT/S&P ACTUARIES WORLD INDICES

...215.37

.371.84

1807.12

\_318,47

..331.08

341.79

.243.05 .493.62

..272.14

\_146.49

...198.94

66 534.33

NATIONAL AND REGIONAL MARKETS

of stock

Fintend (28)

long Kong, China

Netherlands (19) ... New Zealand (14)

Norwey (41) ...... Philippines (22) ... Singapore (42) ... South Africe (44)

Switzerland (33)... Thalland (42)....

Americas (820).

Euro-Pecific (1694)

Europe Ex. UK (500).

Europe (713) .

USA (637)

Inited Kingdom (213) ......311.16

# World Economic Development Congress

PRESENTED IN STRATEGIC PARTNERSHIP WITH:

Arthur ANDERSEN



FEATURING THESE CONCURRENT SUMMITS:

Chief Executive

Telecommunications

Legistics & Bistribution Summit

Private Pawer Semult

Transperiation **Infrastructure** 

Water Supply & Wastewater

Treatment Sunnell

SUPPORTING PUBLICATION: FINANCIAL TIMES

RELATIONS

**KEYNOTE SPEAKERS INCLUDE:** DICK CHEMEY Chairman, President and CEO, Hallkurton Company; former U.S. Secretary of Defense EDGAR W.K. CHENG Chairman, The Stock Exchange of Hong Kong, Ltd.

growing markets

LAWRENCE J. ELLISON Chairman and CEO, Oracle Corporation MILTON FRIEDMAN **Nobel Laureate, Economist, and Senior** Research Fellow, Hoover Institution,

Stanford University YUTARO KOBAYASHI Chairman and CEO, Fuji Xerox Company Ltd.

For more information or to register: PHONE E-MAIL 800-767-9499 registrar@worldcongress.com Inside the U.S.

FAX 617-270-6216

World Congress, LLC 70 Blanchard Rd, Ste 4600 Burlington, MA 01803 USA www.worldcongress.com

1509 19 10 CH. 617-270-6283

Hor rule ---

7 Feb.

\* 70 m

- 4 - 2 MG

C Trees

1.0

أركب متر

 $(\pi_{\sigma_{\sigma_{\sigma_{\sigma}}}}, \pi_{\sigma_{\sigma_{\sigma}}})$ 

- e ...

1 mg 1

TA EMC

~ ±

 $\in \mathbb{Z}_{0}^{n}, \mathbb{R}^{d}$ 

Sugar Section

 $(v_1, v_2, \dots, v_n) \in \mathbb{R}^n$ 

\* 42

المحادث ويتراء

ti jarigi Kanadali

5 2 S

474

1 1 2 2 3

· 4. 242

NO 28

5.2

1 VE/

0.75

ALC:

100

# 18 M

1 miles 1

1-21 B

A Company

Ps 7047 0.22 1-1 10 Table 10 -غۇرە ئۇرىيە» داند The state of the s The same of the 17 F- 12

Fire Bar

\* Trans

---

17.70

The second

- CO. 1007

HTG & FAME

the same of the 3.00 A To read lay